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# SURVEYS OF CONSUMER ATTITUDES

SURVEY RESEARCH CENTER
UNIVERSITY OF MICHIGAN

Institute for Social Research

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November 4, 1983

OCTOBER 1983 MONTHLY REPORT

# Surveys of Consumer Attitudes

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## CONSUMER OPTIMISM MAINTAINED

** In the October 1983 survey, the Index of Consumer Sentiment was 89.3, just below the 89.9 recorded one month earlier, and the cyclical peak of 93.9 recorded three months earlier. Following the rapid improvement in early 1983, a broad range of consumer attitudes and expectations have receded slightly from the mid-year peaks. This reflects a slowing in the expected pace of improvement in the economy as the recovery period lengthens. Overall, these small declines from peak levels do not detract from the otherwise very favorable levels of consumer attitudes and expectations.

** Among families with incomes of $25,000 and over, the Index of Consumer Sentiment was 101.9 in October, just below the 102.3 recorded in September, and the 106.5 peak recorded in July 1983.

** Reports that the economy had improved during the past year rose to 66 percent in the October 1983 survey, a higher proportion than recorded following any of the prior six recessions during the past thirty years.

** Consumers also remained very optimistic about the future course of the economy, although their responses indicated a slower rate of improvement was expected. Among all families, 58 percent expected good times financially in the economy as a whole during the next twelve months, just below the 65 percent recorded in the May 1983 survey, but substantially above the 36 percent recorded one year earlier.

** Favorable attitudes toward buying conditions for houses, vehicles, and household durables were held by the majority of consumers in the October 1983 survey. Although house and car-buying attitudes have declined somewhat since their mid-year peak, due to increasing concern with interest rates, buying attitudes nonetheless remained at very favorable levels. More families in October 1983 reported intentions to purchase new vehicles during the year ahead than in any prior survey (17 percent).

** The proportion of families that reported their financial situation had improved over the prior year fell somewhat in the October survey to 36 percent from 38 percent one month earlier and 40 percent three months earlier. The primary reason involved fewer reports of family income increases, down to 28 percent from 34 percent one year earlier. Consumers remained optimistic about their future financial prospects, with 37 percent expecting improvement compared with 13 percent that expected declines.

* * *

The rapid improvement in consumer optimism earlier in the year together with its subsequent maintenance at favorable levels point toward a continued robust recovery in consumer sales through mid 1984.

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## Rapid Pace of Recovery Expected to Moderate

The majority of consumers since mid-1983 have reported both an ongoing recovery in the economy, and the expectation that the economic expansion would continue through the year ahead. The pace of improvement in evaluations of both current and expected economic conditions, however, has slowed, as evaluations reached record favorable levels.

By the start of 1983, consumers had experienced more than five years of growing economic adversity: rising and then double digit inflation, followed by record high interest rates and double digit unemployment rates. After this prolonged period of economic adversity, consumers became increasingly habituated to news of unfavorable economic developments. Consumer reaction to news of each additional unfavorable development declines with habituation, unless the development represents a significant and unexpected further deterioration in the economy. Just as attention to news of unfavorable developments falls with habituation, attention to news of favorable development is thereby increased. When the economy began to recover in 1983, habituation helped minimize the importance of ongoing unfavorable economic trends, and helped magnify the importance of news of favorable developments. In addition, the favorable developments reported by consumers in 1983 were widely expected, as measured by earlier surveys, which also acted to focus perceptions on favorable developments. As a result, by mid-1983, the consumer surveys established a new all-time record level of favorable perceptions of recent changes in the economy.

Reports that overall business conditions had improved during the past year were given by 66 percent of all families in the October 1983 survey, a higher proportion than recorded following any of the prior six recessions during the past 30 years. Initially the pace of improvement was rapid, with the proportion of families reporting improved business conditions rising from just 16 percent in January 1983 to 62 percent in the May 1983 survey. Since May only small, but record-setting, increases have been recorded in favorable evaluations of current business conditions. News of favorable economic developments was heard and recalled somewhat less frequently by families in the October 1983 survey (63 percent) than at mid-year (83 percent), but substantially more frequently than recorded one year earlier (39 percent). Reports of lower interest rates and easier credit conditions fell to 7 percent in the October survey, from 17 percent one year earlier. The sharp increase in favorable reports of economic developments during early 1983 as well as the subsequent small decline involved references to employment and unemployment trends. References to increased employment rose from 5 percent in October 1982 to 23 percent in October 1983, but were below the 31 percent recorded in the June 1983 survey. During the past year, reports of news heard of increases unemployment fell from 48 percent in October 1982 to 11 in September, but rose to 18 percent in the October 1983 survey. On balance, consumers expected the unemployment rate to decline during the year ahead, although the margin of favorable opinion has narrowed somewhat during the past several months. In the October 1983 survey, unemployment was expected to decline rather than increase by a margin of 35 versus 20 percent. While these figures continue to represent a favorable outlook, the balance of favorable opinion has narrowed since the more than three-to-one margin recorded in May (42 versus 13 percent).

Consumers remained very optimistic about the future course of the economy, but their responses indicated that a slower rate of improvement was also expected. Among all families, 46 percent expected business conditions to improve during the year ahead in October, below the all-time record level of

55 percent recorded in May, but above the 40 percent recorded one year earlier. Just 11 percent of all families expected a worsening economy, up from 10 percent one month earlier, but well below the 20 percent recorded one year earlier.

The improvement in unemployment expectations during early 1983, and their subsequent small decline has been the primary factor behind the recent trends in prospects for the economy as a whole. Among all families, 58 percent expected good times financially in the economy as a whole during the next 12 months, just below the 65 percent recorded in the May 1983 survey, but substantially above the 35 percent recorded one year earlier.

The expected moderation in the pace of recovery also reflects rising concern with interest rates. Increases in interest rates were expected during the year ahead by 43 percent of all households in the October 1983 survey just below the 44 percent recorded in September, but about twice the 22 percent recorded one year earlier. Declines in interest rates were expected by only 19 percent of all households in the October 1983 survey, just above the 20 percent recorded one month earlier, but less than half of the 48 percent recorded one year earlier. This growing concern has left interest rate expectations less favorable than at any other time during the preceding two years.

Buying Conditions

In the October 1983 survey, unlike one year earlier, the majority of consumers favorably rated buying conditions for large household durables (65 percent, up from 46 percent), vehicles (59 percent, up from 44 percent), and houses (55, up from 32). The rapid improvement recorded during the past year has been due to lower prices and lower interest rates. The October 1983 survey did record small declines in favorable buying attitudes from the mid-year peaks, due to increased concern about whether the lower interest rates and prices will be maintained.

Favorable attitudes toward buying conditions for houses were held by 55 percent of all families in the October 1983 survey, down from 59 percent in September, and the record peak of 66 percent in June. From the peak in June to the October 1983 survey, mentions of the availability of low mortgage rates fell from 61 to 38 percent, while references to high mortgage rates rose from 23 to 29 percent. Perceptions of market prices for houses remained favorable in the October 1983 survey, even if somewhat less favorable than at mid-year, and stand in sharp contrast to the preceding 20 years when unfavorable perceptions of house prices predominated.

Favorable car buying attitudes were held by 59 percent of all families in the October 1983 survey, just below the 61 percent recorded in September, and the record peak of 66 percent recorded in May and June 1983. The recent decline in favorable car buying attitudes is minor, since even the 59 percent level recorded in October is higher than at any other time prior to 1983. The small decline from the mid 1983 peak has been partly due to less frequent references to low interest rates, declining from 40 percent in June to 19 percent in October 1983. In addition, the October survey recorded a rise in unfavorable perceptions of market prices for vehicles. From September to October 1983, the proportion of families that mentioned the availability of low prices or discounts fell from 28 to 22 percent, while the frequency of complaints of high prices rose from 20 to 25 percent. These shifts partially reflect initial reactions to the introduction of the higher priced 1984 models, along with fewer rebate and interest rate incentive plans. Interestingly, the 22 percent that mentioned the availability of low car prices in the October 1983 survey was the lowest proportion recorded in nearly two years, while references to buying in advance of expected increases in vehicle prices rose to 17 percent in the September and October surveys, the highest level in more than two years.

Following the steep rise in favorable attitudes toward car market conditions earlier in the year, vehicle purchase intentions had risen to record levels by the Fall of 1983. Among all families, 29 percent reported that they intended to purchase a vehicle during the year ahead, up from 23 percent one year earlier. Importantly, 17 percent of all families reported that they intended to purchase a new vehicle, the highest proportion ever recorded. Prior to this time, the highest proportion to hold purchase intentions for new vehicles was 15 percent, recorded at the cyclical peaks in the early and late 1970s, and earlier in 1983.

Buying conditions for large household durables were viewed favorably by 65 percent of all families in the October 1983 survey, just below the peak of 67 percent recorded three months earlier. More than twice as many families in the October survey cited the appeal of lower prices than mentioned their aversion to high prices for household durables (33 versus 14 percent), a more favorable view than recorded one year earlier (28 versus 18 percent). Buy-in-advance price rationales also increased during the past year, rising to 21 percent in October 1983 from 14 percent one year earlier. While buy-in-advance rationales have increased in frequency for household durables and vehicles, when consumers were asked to evaluate market conditions for houses, advance buying rationales were only marginally greater in frequency in October 1983 than one year earlier (5 to 9 percent).

## Improved Personal Finances Support Spending Plans

The financial situation of American families improved substantially during the past year. In the October 1983 survey, for the seventh consecutive month, more families reported that their financial situation had improved rather than worsened during the past year, in sharp contrast to the prior three years when unfavorable evaluations predominated. Among all families in the October survey, 36 percent reported that their financial situation had improved during the past year, down somewhat from the high of 40 percent recorded three months earlier. Unfavorable evaluations of their financial situation were reported by 32 percent of all families in the October 1983 survey, up from 29 percent three months earlier.

Consumers remained optimistic about future changes in their personal financial situation. Among all families, 37 percent expected improvement in their personal financial situation during the year ahead in the October 1983 survey, down somewhat from the peak of 43 percent in the May survey. Just 13 percent of all families expected a worsening financial situation in October, up from a low of 6 percent in the May survey, but below the 16 percent recorded one year earlier.

Compared with one year earlier, income expectations have declined by a small amount, and have become somewhat more concentrated in the 1-5% range. Among all families, just a marginally higher proportion expected their income to remain unchanged or to decline (39 percent) in the October 1983 survey compared with one year earlier (37 percent). The proportion of families that expected income increases of 6% or more was 32 percent in the October 1983 survey, down from 37 percent one year earlier, while the proportion of families that expected increases of 1-5% was 21 percent in the October survey, up from 16 percent one year earlier.

On average, consumers expected an annual rate of inflation of 5.2% in the October 1983 survey, up from 5.0% one month earlier, but below the 6.2% recorded one year earlier. The steep three year decline in price expectations, coupled with the relative maintenance of nominal income expectations, has resulted in greatly improved real income expectations. When the expected rate of inflation reached the all-time peak of 11.9% in the first quarter of 1980, only one family in five expected their income to increase by a larger amount. By October 1983, when the expected inflation rate was 5.2%, one-third of all families expected higher income increases.

* * *

The October 1983 survey was conducted between September 26, 1983 and October 26, 1883, and included 689 completed interviews.

# TABLES AND CHARTS

## OCTOBER 1983

The October 1983 survey is the 181st in a series of surveys of consumer attitudes conducted by the Survey Research Center at The University of Michigan. Initiated in 1946, these periodic surveys provide regular assessments of consumer attitudes and expectations, and are used to evaluate economic trends and prospects. The surveys are designed to explore why changes in consumer attitudes and expectations occur, and how these changes influence consumer spending and saving decisions.

Two charts highlight recent changes and historical patterns for most questions. Recent change charts include quarterly data before 1978 and monthly data starting in January of 1978. Historical series charts show quarterly data before 1978 and 3 month moving averages since then. See the explanatory charts at the end of this book for a detailed description.

All surveys are subject to sampling error because not all members of the population are interviewed. Most results on the total sample for this monthly survey will differ by no more than 4 percentage points in either direction from what would have been obtained by using the same methods on the entire population. See the back of this book for sampling error information.

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CHART 1 - RECENT CHANGES
THE INDEX OF CONSUMER SENTIMENT

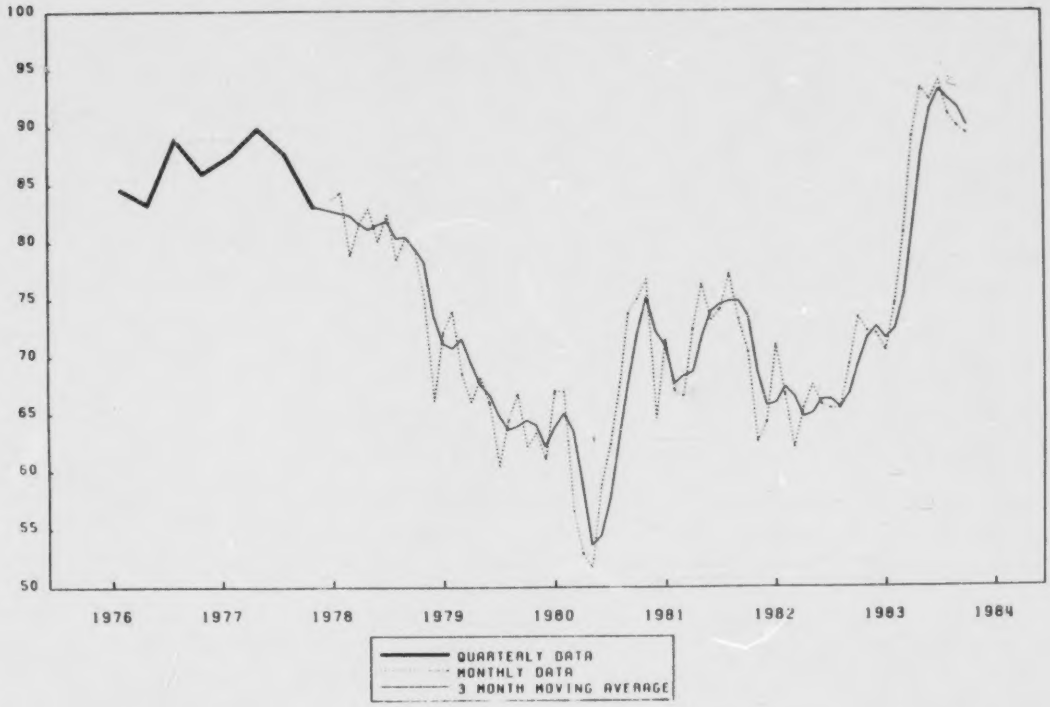

CHART 1 - HISTORICAL SERIES
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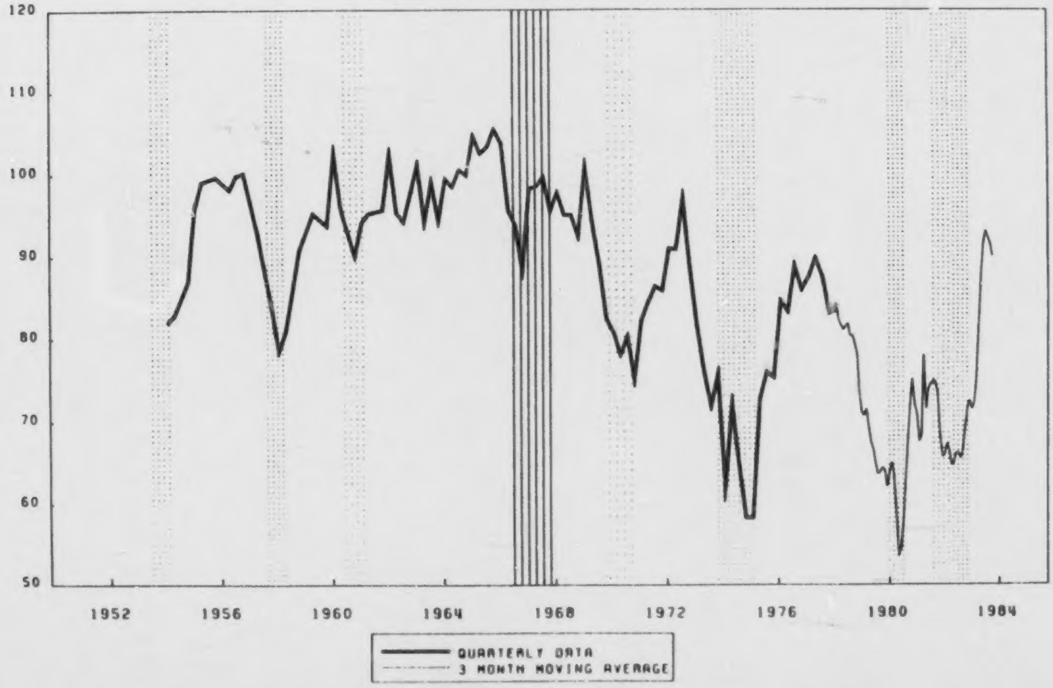


## TABLE 1

## THE INDEX OF CONSUMER SENTIMENT

| DATE OF SURVEY | | All families | Families with incomes over $20,000 | Families with incomes over $25,000 |
|---|---|---|---|---|
| October | 1980 | 75.0 | 76.3 | 78.7 |
| November | 1980 | 76.7 | 82.7 | 87.5 |
| December | 1980 | 64.5 | 66.9 | 68.6 |
| January | 1981 | 71.4 | 74.8 | 77.1 |
| February | 1981 | 66.9 | 74.2 | 77.5 |
| March | 1981 | 66.5 | 72.1 | 73.7 |
| April | 1981 | 72.4 | 77.1 | 78.0 |
| May | 1981 | 76.3 | 80.8 | 85.0 |
| June | 1981 | 73.1 | 81.2 | 82.9 |
| July | 1981 | 74.1 | 80.8 | 82.1 |
| August | 1981 | 77.2 | 82.7 | 85.0 |
| September | 1981 | 73.1 | 75.2 | 73.3 |
| October | 1981 | 70.3 | 74.5 | 77.9 |
| November | 1981 | 62.5 | 67.2 | 66.3 |
| December | 1981 | 64.3 | 71.0 | 71.1 |
| January | 1982 | 71.0 | 77.9 | 77.8 |
| February | 1982 | 66.5 | 71.5 | 72.8 |
| March | 1982 | 62.0 | 67.0 | 67.9 |
| April | 1982 | 65.5 | 71.5 | 73.2 |
| May | 1982 | 67.5 | 72.7 | 74.8 |
| June | 1982 | 65.7 | 71.4 | 72.9 |
| July | 1982 | 65.4 | 68.9 | 69.2 |
| August | 1982 | 65.4 | 71.0 | 73.6 |
| September | 1982 | 69.3 | 78.4 | 81.1 |
| October | 1982 | 73.4 | 77.5 | 80.9 |
| November | 1982 | 72.1 | 79.3 | 81.1 |
| December | 1982 | 71.9 | 78.0 | 80.5 |
| January | 1983 | 70.4 | 78.2 | 78.8 |
| February | 1983 | 74.6 | 79.9 | 81.3 |
| March | 1983 | 80.8 | 88.4 | 88.9 |
| April | 1983 | 89.1 | 97.1 | 99.0 |
| May | 1983 | 93.3 | 99.6 | 101.0 |
| June | 1983 | 92.2 | 101.2 | 102.5 |
| July | 1983 | 93.9 | 104.4 | 106.5 |
| August | 1983 | 90.9 | 101.2 | 103.5 |
| September | 1983 | 89.9 | 99.0 | 102.3 |
| October | 1983 | 89.3 | 99.5 | 101.9 |

CHART 2A - HISTORICAL SERIES
INDEX OF CONSUMER SENTIMENT WITHIN REGION SUBGROUPS

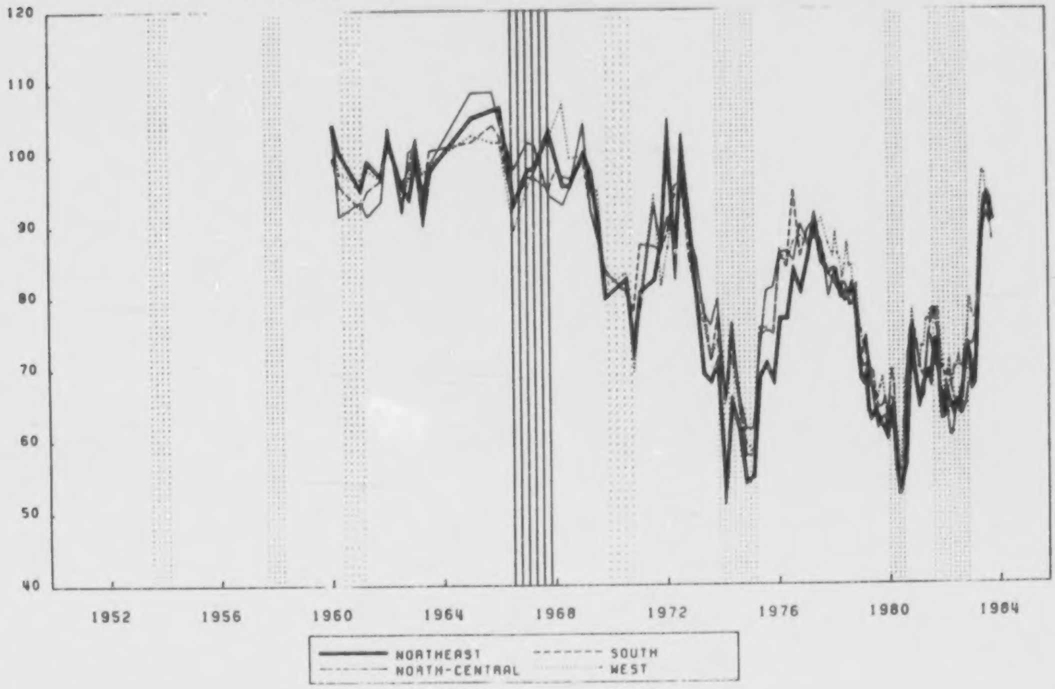
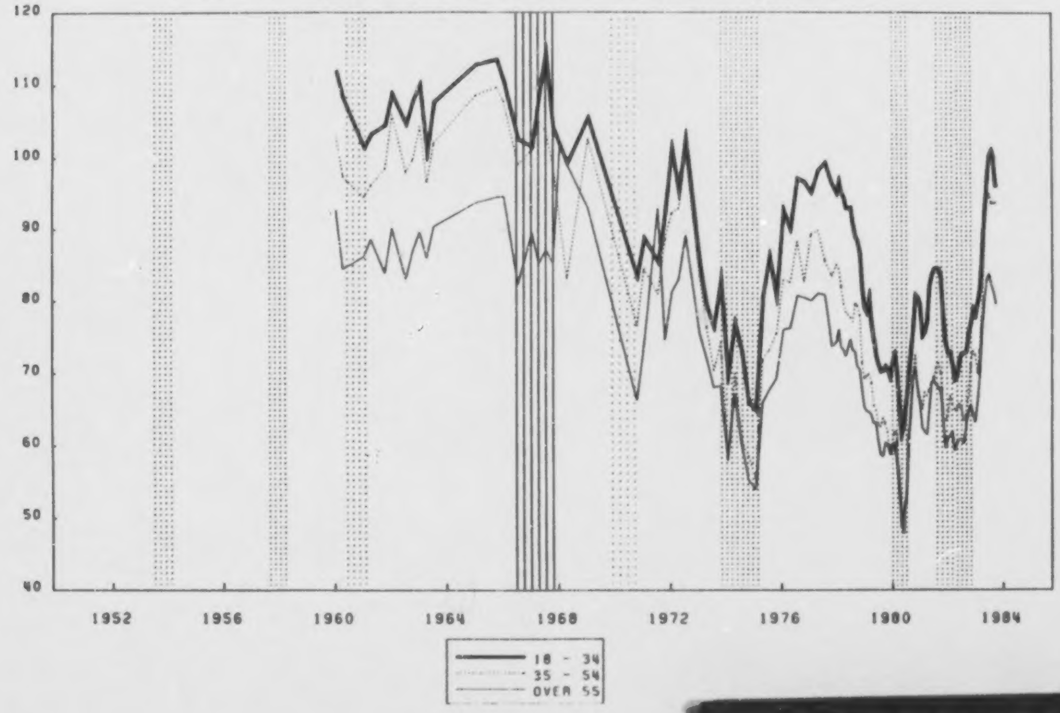


CHART 2B - HISTORICAL SERIES
INDEX OF CONSUMER SENTIMENT WITHIN AGE SUBGROUPS



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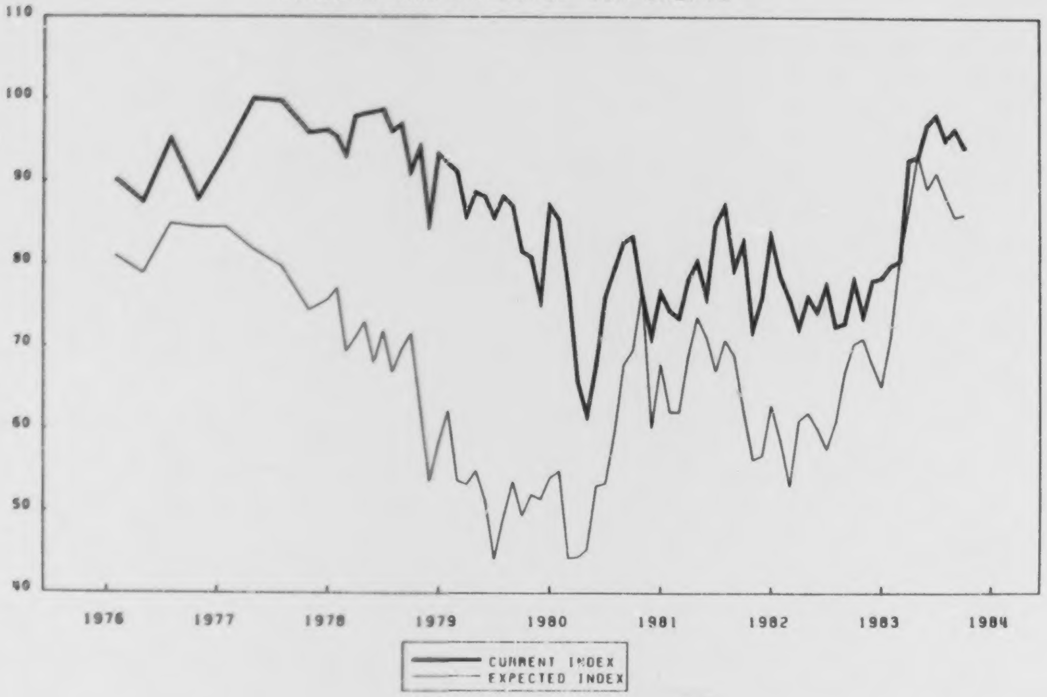
## TABLE 2

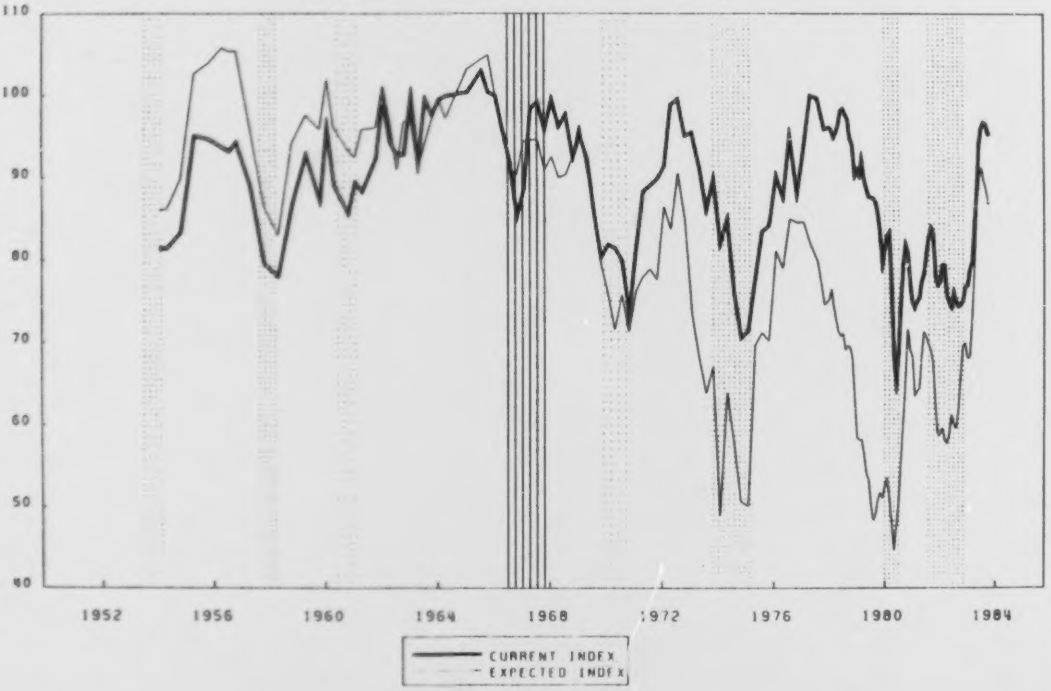
## INDEX OF CONSUMER SENTIMENT WITHIN REGION AND AGE SUBGROUPS

| DATE OF SURVEY | | CENSUS REGION | | | | AGE OF RESPONDENT | | |
|---|---|---|---|---|---|---|---|---|
| | | North East | North Central | South | West | 18-34 | 35-54 | 55+ |
| October | 1980 | 75.7 | 70.2 | 79.1 | 73.1 | 80.2 | 70.2 | 74.0 |
| November | 1980 | 71.1 | 76.2 | 77.3 | 81.9 | 85.3 | 73.5 | 70.3 |
| December | 1980 | 62.3 | 59.9 | 69.3 | 64.6 | 76.0 | 56.7 | 60.1 |
| January | 1981 | 68.2 | 70.9 | 72.5 | 74.4 | 77.2 | 70.2 | 67.9 |
| February | 1981 | 64.5 | 62.6 | 70.2 | 70.8 | 72.5 | 68.4 | 59.6 |
| March | 1981 | 66.5 | 62.6 | 64.9 | 73.7 | 77.3 | 63.9 | 58.4 |
| April | 1981 | 72.6 | 72.7 | 71.0 | 74.2 | 81.5 | 68.3 | 66.9 |
| May | 1981 | 66.8 | 76.6 | 77.5 | 82.2 | 87.7 | 71.2 | 70.0 |
| June | 1981 | 68.5 | 74.0 | 75.2 | 73.8 | 81.7 | 67.0 | 69.6 |
| July | 1981 | 68.9 | 72.2 | 76.5 | 78.1 | 84.2 | 70.6 | 67.6 |
| August | 1981 | 77.0 | 70.1 | 83.2 | 79.2 | 87.8 | 75.0 | 67.9 |
| September | 1981 | 75.1 | 69.9 | 72.4 | 76.6 | 81.4 | 68.8 | 69.2 |
| October | 1981 | 67.9 | 68.2 | 68.9 | 79.0 | 80.7 | 65.9 | 64.8 |
| November | 1981 | 55.8 | 64.7 | 61.1 | 68.8 | 71.3 | 59.6 | 57.7 |
| December | 1981 | 65.0 | 65.3 | 64.4 | 61.6 | 70.9 | 65.3 | 56.7 |
| January | 1982 | 68.8 | 67.3 | 72.0 | 76.2 | 76.6 | 67.4 | 68.5 |
| February | 1982 | 65.9 | 60.6 | 71.8 | 68.8 | 71.5 | 60.3 | 59.0 |
| March | 1982 | 60.5 | 55.8 | 64.7 | 68.2 | 65.5 | 61.4 | 58.8 |
| April | 1982 | 67.2 | 64.6 | 65.0 | 65.8 | 70.6 | 65.5 | 60.4 |
| May | 1982 | 62.4 | 66.5 | 66.6 | 75.7 | 72.7 | 67.6 | 62.0 |
| June | 1982 | 65.4 | 65.0 | 64.9 | 68.6 | 72.4 | 64.4 | 60.3 |
| July | 1982 | 65.1 | 64.0 | 63.5 | 71.1 | 73.4 | 63.3 | 60.6 |
| August | 1982 | 68.1 | 60.6 | 64.0 | 70.6 | 72.6 | 62.9 | 60.2 |
| September | 1982 | 70.3 | 67.2 | 71.1 | 68.8 | 73.0 | 66.7 | 68.0 |
| October | 1982 | 77.8 | 66.2 | 74.1 | 79.3 | 81.2 | 72.1 | 65.5 |
| November | 1982 | 70.6 | 67.9 | 73.2 | 79.3 | 76.6 | 75.7 | 63.8 |
| December | 1982 | 66.1 | 70.0 | 72.5 | 80.4 | 78.9 | 71.7 | 64.2 |
| January | 1983 | 64.9 | 70.5 | 73.6 | 72.8 | 78.8 | 70.0 | 62.0 |
| February | 1983 | 72.1 | 72.3 | 75.8 | 77.2 | 82.1 | 68.3 | 72.4 |
| March | 1983 | 82.9 | 73.7 | 82.7 | 84.4 | 84.9 | 81.5 | 75.5 |
| April | 1983 | 89.1 | 88.0 | 87.2 | 95.6 | 95.8 | 90.5 | 80.5 |
| May | 1983 | 88.3 | 90.7 | 93.3 | 102.7 | 97.2 | 97.1 | 84.9 |
| June | 1983 | 95.1 | 88.7 | 92.5 | 94.1 | 97.8 | 94.4 | 83.9 |
| July | 1983 | 98.3 | 93.8 | 89.9 | 94.3 | 106.0 | 93.6 | 83.0 |
| August | 1983 | 89.6 | 92.0 | 91.3 | 89.6 | 99.2 | 92.9 | 80.0 |
| September | 1983 | 92.6 | 87.8 | 89.3 | 90.8 | 94.8 | 94.5 | 80.9 |
| October | 1983 | 89.9 | 83.7 | 91.5 | 93.5 | 94.2 | 93.8 | 77.8 |

## CHART 3 - RECENT CHANGES
## CURRENT AND EXPECTED COMPONENTS



## CHART 3 - HISTORICAL SERIES
## CURRENT AND EXPECTED COMPONENTS



## TABLE 3

## COMPONENTS OF THE INDEX OF CONSUMER SENTIMENT

| | INDEX COMPONENTS + | | | | | | |
|---|---|---|---|---|---|---|---|
| | Personal finances | | Business conditions | | | | |
| DATE OF SURVEY | Current (1) | Expected (2) | 12 months (3) | 5 years (4) | Buying conds. (5) | Current Index (1,5) | Expected Index (2,3,4) |
| October 1980 | 90 | 108 | 84 | 83 | 123 | 83.4 | 69.6 |
| November 1980 | 83 | 118 | 94 | 93 | 112 | 76.4 | 76.9 |
| December 1980 | 77 | 100 | 64 | 73 | 104 | 71.2 | 60.2 |
| January 1981 | 80 | 109 | 78 | 81 | 116 | 76.7 | 67.9 |
| February 1981 | 80 | 106 | 64 | 73 | 109 | 74.4 | 62.1 |
| March 1981 | 86 | 104 | 68 | 72 | 101 | 73.5 | 62.1 |
| April 1981 | 79 | 111 | 83 | 78 | 121 | 78.1 | 68.8 |
| May 1981 | 95 | 118 | 92 | 81 | 111 | 80.4 | 73.6 |
| June 1981 | 89 | 113 | 91 | 78 | 104 | 76.1 | 71.2 |
| July 1981 | 99 | 114 | 81 | 70 | 118 | 84.9 | 67.1 |
| August 1981 | 100 | 117 | 92 | 72 | 123 | 87.1 | 70.8 |
| September 1981 | 94 | 113 | 80 | 80 | 109 | 79.5 | 69.0 |
| October 1981 | 95 | 110 | 68 | 67 | 117 | 82.7 | 62.3 |
| November 1981 | 85 | 110 | 54 | 56 | 99 | 72.1 | 56.3 |
| December 1981 | 94 | 110 | 54 | 61 | 101 | 75.9 | 56.8 |
| January 1982 | 92 | 115 | 66 | 70 | 124 | 83.5 | 62.9 |
| February 1982 | 91 | 112 | 56 | 65 | 111 | 78.6 | 58.7 |
| March 1982 | 89 | 106 | 44 | 60 | 106 | 75.9 | 53.1 |
| April 1982 | 87 | 111 | 62 | 70 | 99 | 72.3 | 61.1 |
| May 1982 | 94 | 113 | 62 | 72 | 102 | 76.1 | 62.0 |
| June 1982 | 92 | 116 | 58 | 65 | 99 | 74.3 | 60.1 |
| July 1982 | 90 | 113 | 53 | 63 | 110 | 77.5 | 57.6 |
| August 1982 | 89 | 110 | 64 | 69 | 97 | 72.5 | 60.9 |
| September 1982 | 89 | 116 | 76 | 74 | 98 | 72.9 | 66.9 |
| October 1982 | 95 | 119 | 79 | 83 | 106 | 78.1 | 70.4 |
| November 1982 | 85 | 121 | 77 | 86 | 105 | 73.8 | 71.0 |
| December 1982 | 90 | 117 | 74 | 80 | 111 | 78.1 | 67.9 |
| January 1983 | 91 | 115 | 76 | 69 | 111 | 78.4 | 65.2 |
| February 1983 | 89 | 117 | 87 | 81 | 117 | 79.9 | 71.2 |
| March 1983 | 92 | 126 | 113 | 85 | 115 | 80.5 | 80.9 |
| April 1983 | 108 | 131 | 120 | 99 | 131 | 92.7 | 86.9 |
| May 1983 | 101 | 137 | 139 | 100 | 139 | 93.1 | 93.4 |
| June 1983 | 110 | 128 | 134 | 97 | 141 | 96.9 | 89.2 |
| July 1983 | 111 | 126 | 136 | 104 | 143 | 98.1 | 91.1 |
| August 1983 | 106 | 124 | 130 | 100 | 140 | 95.1 | 88.2 |
| September 1983 | 109 | 125 | 125 | 95 | 140 | 96.4 | 85.8 |
| October 1983 | 104 | 124 | 124 | 98 | 140 | 94.3 | 86.1 |

(1) See Table 4.
(2) See Table 6.
(3) See Table 18.
(4) See Table 19.
(5) See Table 26.

+ : Percent saying "GOOD TIMES" (or "BETTER"), minus percent saying "BAD TIMES" (or "WORSE"), plus 100.

CHART 4 - RECENT CHANGES
CURRENT FINANCIAL SITUATION COMPARED WITH A YEAR AGO

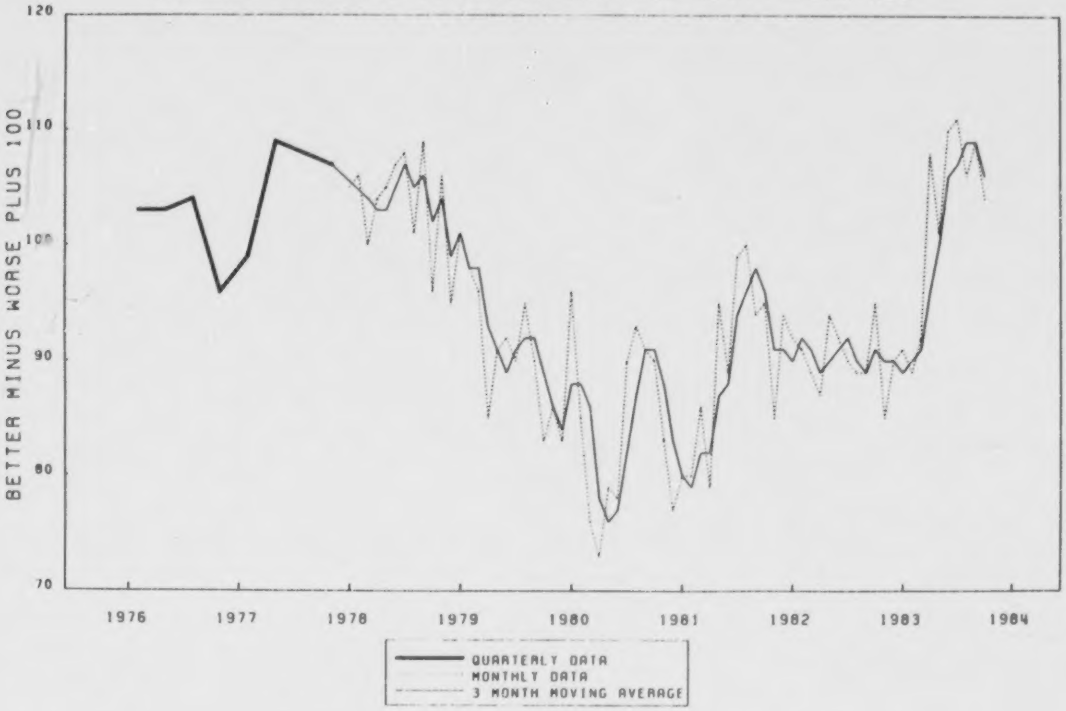


CHART 4 - HISTORICAL SERIES
CURRENT FINANCIAL SITUATION COMPARED WITH A YEAR AGO

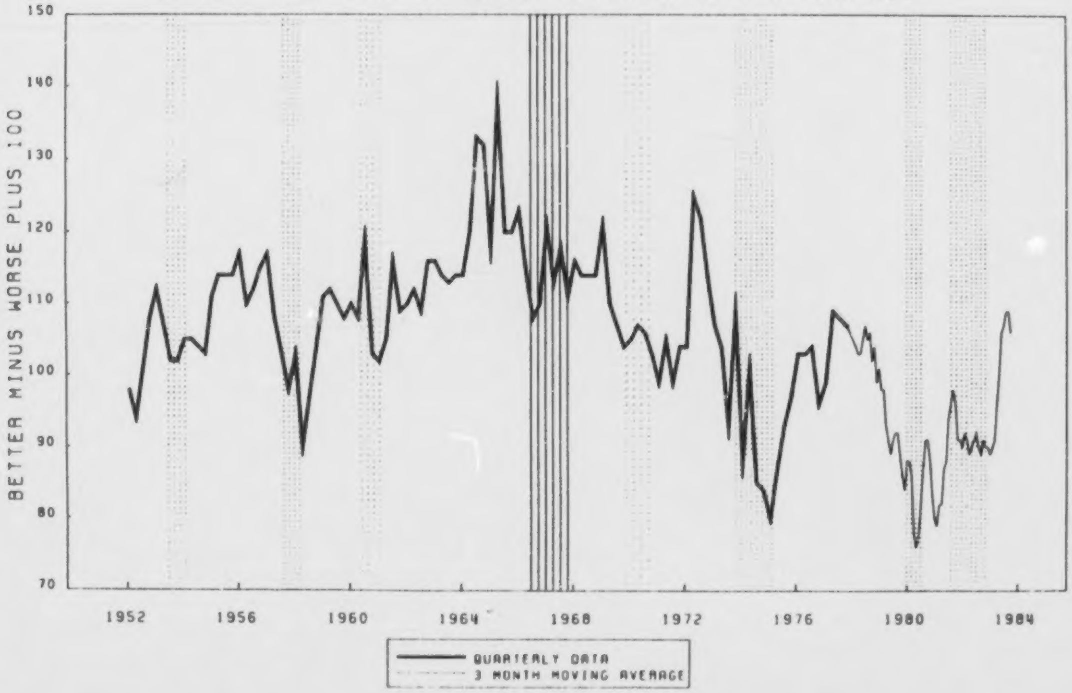


TABLE 4

CURRENT FINANCIAL SITUATION COMPARED TO A YEAR AGO

| | Oct. 1982 | Nov. 1982 | Dec. 1982 | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| BETTER OFF | 34% | 31% | 28% | 29% | 30% | 31% | 39% | 34% | 38% | 40% | 36% | 38% | 36% |
| SAME | 27 | 23 | 34 | 33 | 29 | 30 | 30 | 33 | 33 | 31 | 34 | 33 | 32 |
| WORSE OFF | 39 | 46 | 38 | 38 | 41 | 39 | 31 | 33 | 28 | 29 | 30 | 29 | 32 |
| DK,NA | * | * | * | * | * | * | * | * | 1 | * | * | * | * |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 687 | 682 | 682 | 682 | 709 | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 |

The question was: "We are interested in how people are getting along financially these days. Would you say that you (and your family living there) are better off or worse off financially than you were a year ago?"

* : Less than half of one percent.

CHART 5 - RECENT CHANGES
REASONS FOR OPINIONS ABOUT PERSONAL FINANCIAL SITUATION

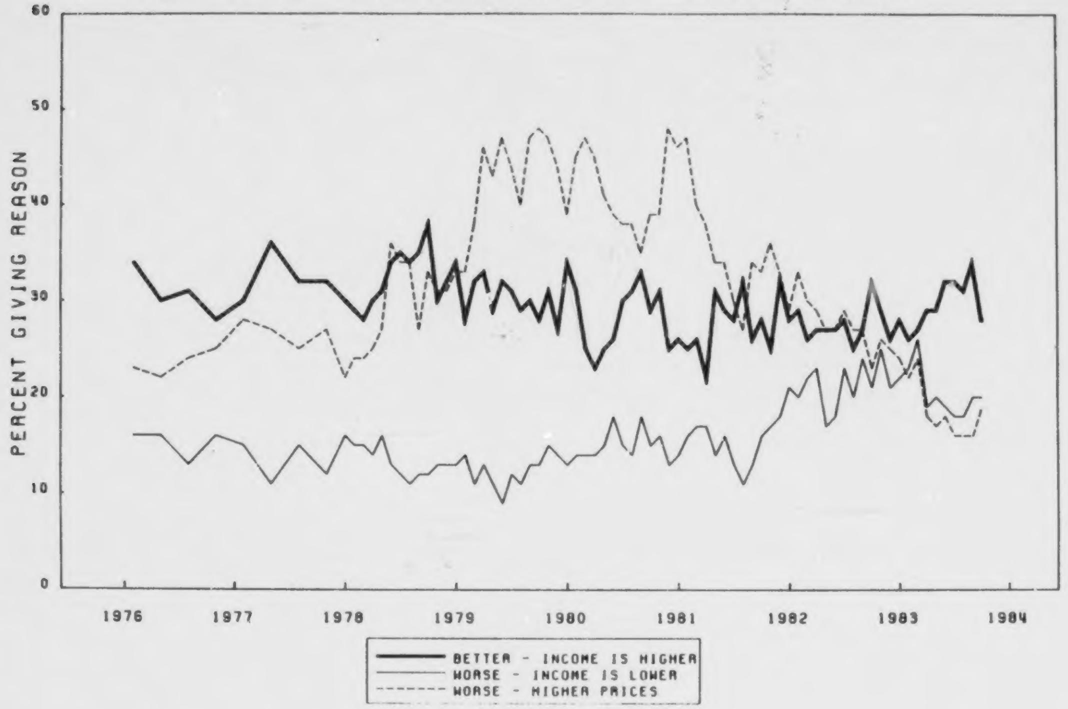
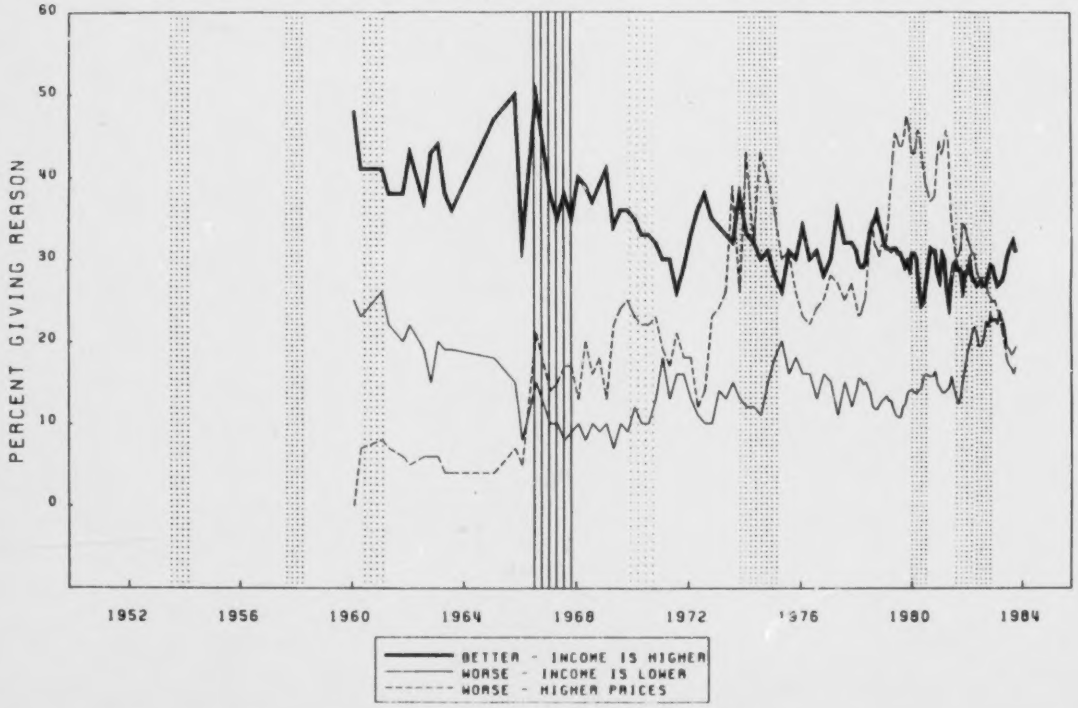


CHART 5 - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT PERSONAL FINANCIAL SITUATION



## TABLE 5

## SELECTED REASONS FOR OPINIONS ABOUT PERSONAL FINANCIAL SITUATION +

| | Oct. 1982 | Nov. 1982 | Dec. 1982 | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| BETTER OFF THAN YEAR AGO: | | | | | | | | | | | | | |
| Income is higher | 32% | 29% | 26% | 28% | 26% | 27% | 29% | 29% | 32% | 32% | 31% | 34% | 28% |
| WORSE OFF THAN YEAR AGO: | | | | | | | | | | | | | |
| Income is lower | 21 | 25 | 21 | 22 | 23 | 26 | 19 | 20 | 19 | 18 | 18 | 20 | 20 |
| Higher prices | 23 | 26 | 25 | 24 | 22 | 24 | 18 | 17 | 18 | 16 | 16 | 16 | 19 |

Responses to the query: "Why do you say so?" following the question on Table 4.

+ : May add to more than 100% due to multiple mentions.

CHART 6 - RECENT CHANGES
EXPECTED CHANGE IN FINANCIAL SITUATION

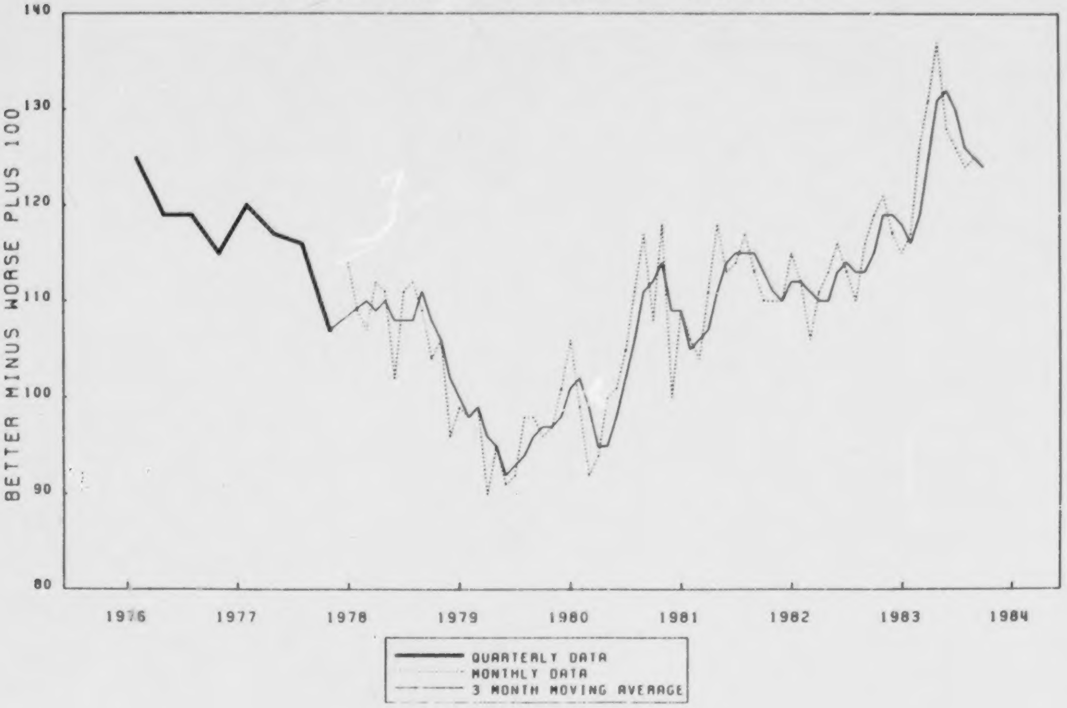
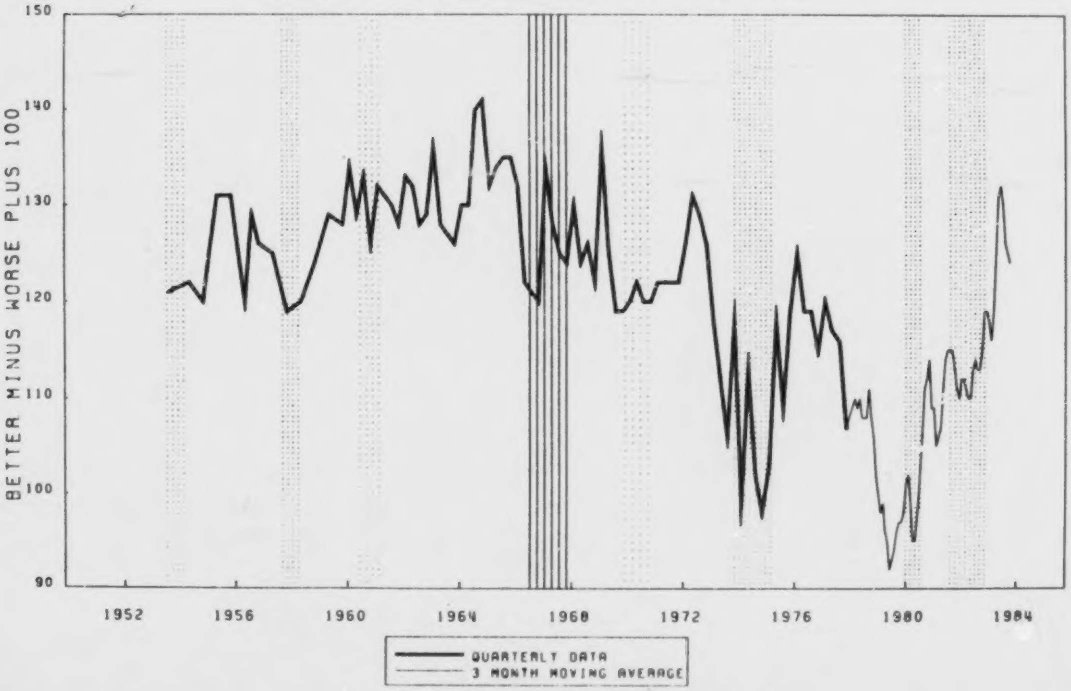


CHART 6 - HISTORICAL SERIES
EXPECTED CHANGE IN FINANCIAL SITUATION



## TABLE 6

## EXPECTED CHANGE IN FINANCIAL SITUATION

| | Oct. 1982 | Nov. 1982 | Dec. 1982 | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| BETTER OFF | 35% | 37% | 34% | 34% | 33% | 39% | 40% | 43% | 37% | 35% | 37% | 37% | 37% |
| SAME | 45 | 43 | 46 | 44 | 47 | 46 | 47 | 47 | 52 | 52 | 46 | 48 | 46 |
| WORSE OFF | 16 | 16 | 17 | 19 | 16 | 13 | 9 | 6 | 9 | 9 | 13 | 12 | 13 |
| DK,NA | 4 | 4 | 3 | 3 | 4 | 2 | 4 | 4 | 2 | 4 | 4 | 3 | 4 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 687 | 682 | 682 | 682 | 709 | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 |

The question was: "Now looking ahead--do you think that a year from now you (and your family living there) will be better off financially, or worse off, or just about the same as now?"

CHART 7 - RECENT CHANGES
TREND IN PERSONAL FINANCIAL SITUATION

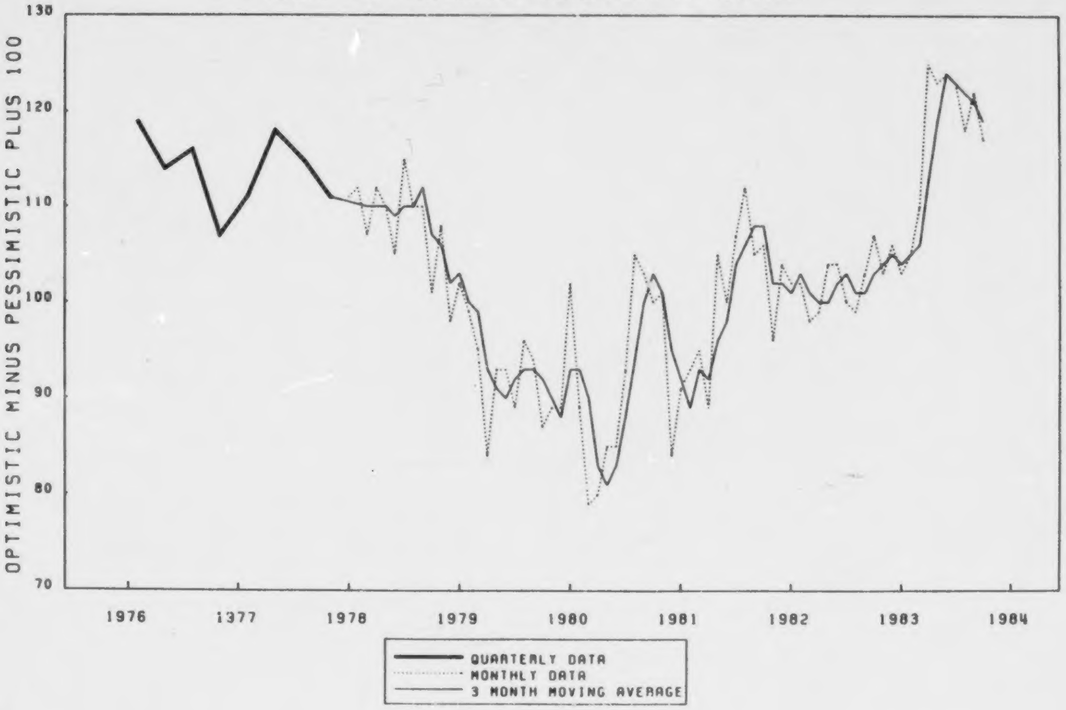
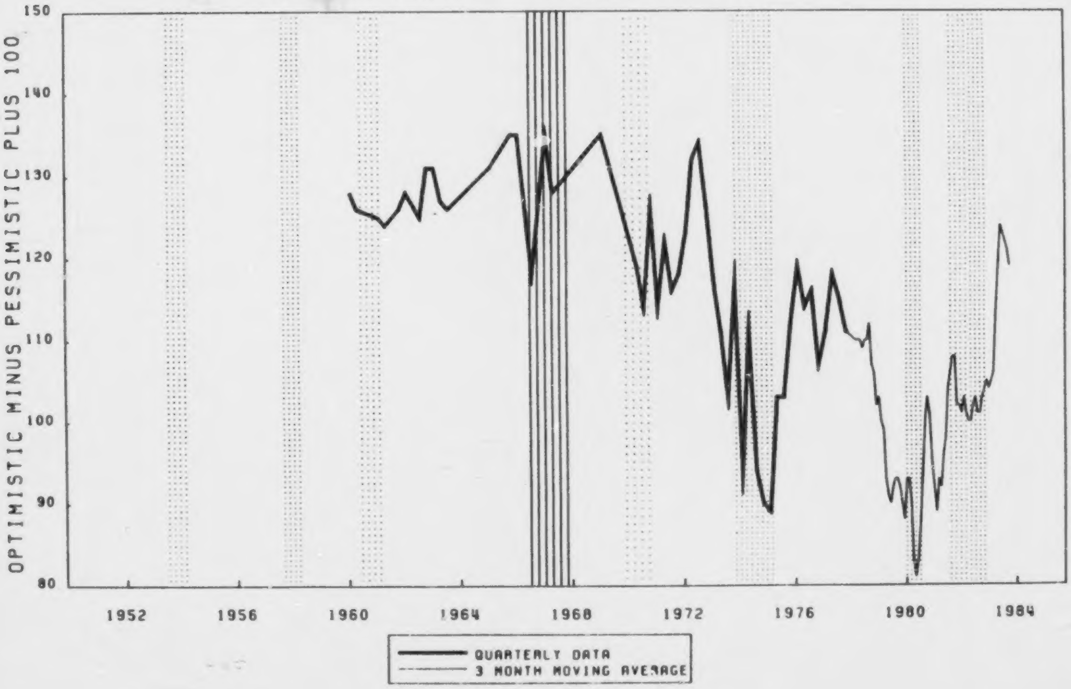


CHART 7 - HISTORICAL SERIES
TREND IN PERSONAL FINANCIAL SITUATION



## TABLE 7

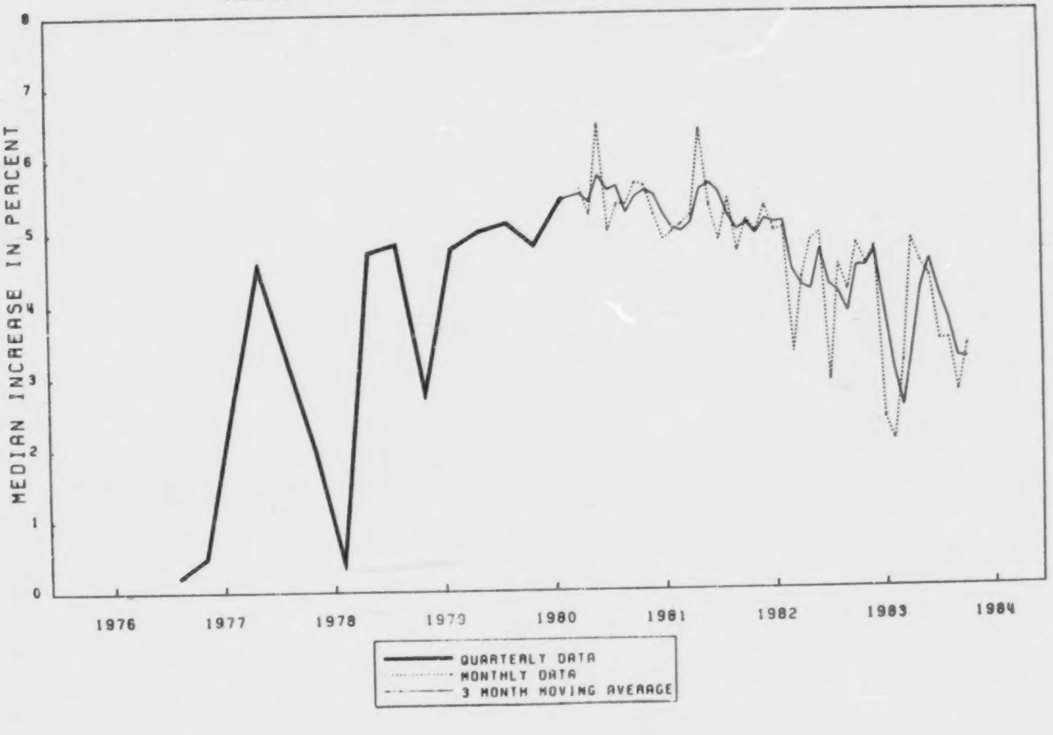
## TREND IN PERSONAL FINANCIAL SITUATION

| | Oct. 1982 | Nov. 1982 | Dec. 1982 | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| PERSONAL FINANCIAL PROGRESS: | | | | | | | | | | | | | |
| Continuous increase (a) | 18% | 16% | 14% | 15% | 13% | 16% | 19% | 18% | 19% | 20% | 19% | 18% | 19% |
| Intermittent increase (b) | 20 | 19 | 22 | 20 | 22 | 22 | 26 | 25 | 26 | 24 | 23 | 27 | 23 |
| Remain unchanged (c) | 14 | 12 | 18 | 16 | 16 | 16 | 18 | 18 | 20 | 21 | 19 | 18 | 18 |
| Intermittent decline (d) | 21 | 22 | 18 | 21 | 20 | 21 | 15 | 18 | 17 | 16 | 18 | 17 | 18 |
| Continuous decline (e) | 10 | 10 | 12 | 11 | 10 | 7 | 5 | 2 | 4 | 5 | 6 | 6 | 7 |
| Mixed change (f) | 12 | 18 | 13 | 13 | 14 | 16 | 13 | 15 | 11 | 10 | 10 | 11 | 11 |
| DK,NA | 5 | 3 | 3 | 4 | 5 | 2 | 4 | 4 | 3 | 4 | 5 | 3 | 4 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 687 | 682 | 682 | 682 | 709 | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 |

Combination of the responses to the questions on Tables 4 and 6.

Key: (a) Better off financially than a year ago/Better off a year from now
(b) Better/Same or Same/Better
(c) Same/Same
(d) Worse/Same or Same/Worse
(e) Worse/Worse
(f) Worse/Better or Better/Worse

CHART 8 - RECENT CHANGES
MEDIAN EXPECTED CHANGE IN FAMILY INCOME



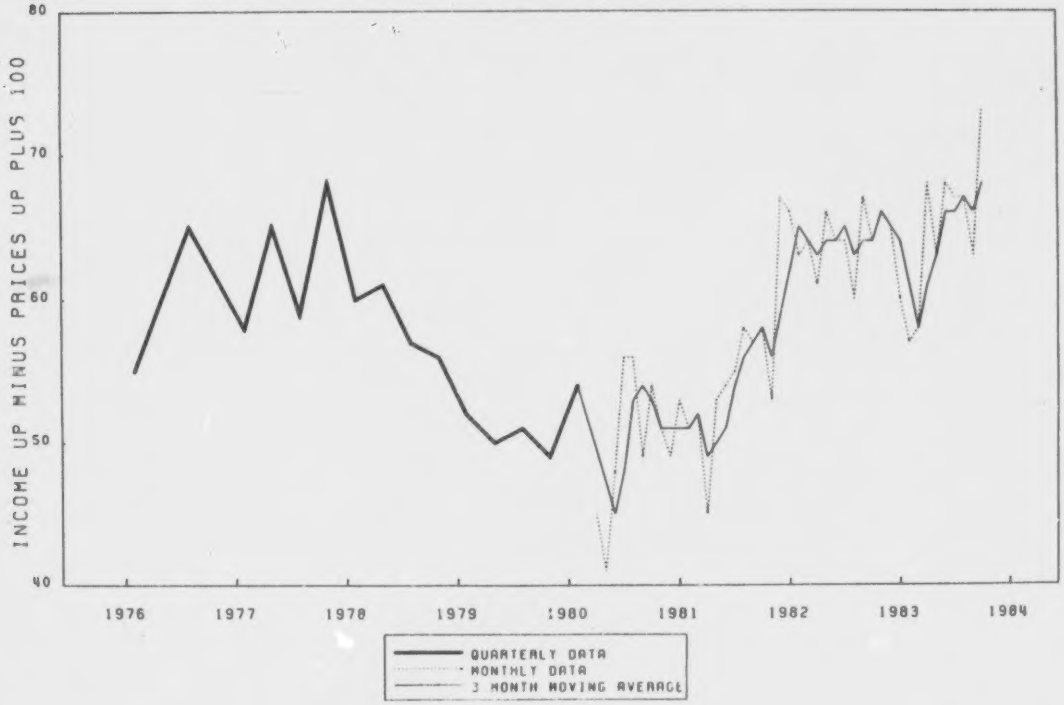
## TABLE 8

## EXPECTED FAMILY INCOME CHANGE DURING THE NEXT 12 MONTHS

| | Oct. 1982 | Nov. 1982 | Dec. 1982 | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| EXPECT INCREASE: | | | | | | | | | | | | | |
| 1-4% | 7% | 6% | 6% | 11% | 7% | 7% | 9% | 8% | 8% | 9% | 13% | 11% | 11% |
| 5% | 9 | 9 | 10 | 9 | 9 | 10 | 12 | 9 | 11 | 12 | 10 | 12 | 10 |
| 6-9% | 11 | 7 | 9 | 8 | 8 | 10 | 12 | 8 | 11 | 10 | 10 | 5 | 10 |
| 10-24% | 18 | 19 | 22 | 13 | 16 | 16 | 19 | 20 | 16 | 15 | 15 | 14 | 15 |
| 25% or more | 8 | 9 | 7 | 7 | 8 | 7 | 7 | 9 | 8 | 7 | 8 | 9 | 7 |
| DK how much up | 7 | 6 | 4 | 6 | 4 | 5 | 4 | 5 | 4 | 4 | 4 | 6 | 5 |
| EXPECT SAME | 23 | 27 | 24 | 28 | 30 | 26 | 25 | 26 | 28 | 28 | 23 | 30 | 26 |
| EXPECT DOWN | 14 | 14 | 17 | 17 | 16 | 17 | 10 | 14 | 13 | 13 | 14 | 12 | 13 |
| DK,NA | 3 | 3 | 1 | 1 | 2 | 2 | 2 | 1 | 1 | 2 | 3 | 1 | 3 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 687 | 682 | 682 | 682 | 709 | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 |

The questions were: "During the next 12 months, do you expect your (family) income to be higher or lower than during the past year?" and "By about what percent do you expect your (family) income to increase during the next 12 months?"

CHART 9 - RECENT CHANGES
INCOME OR PRICES UP MORE DURING THE LAST YEAR



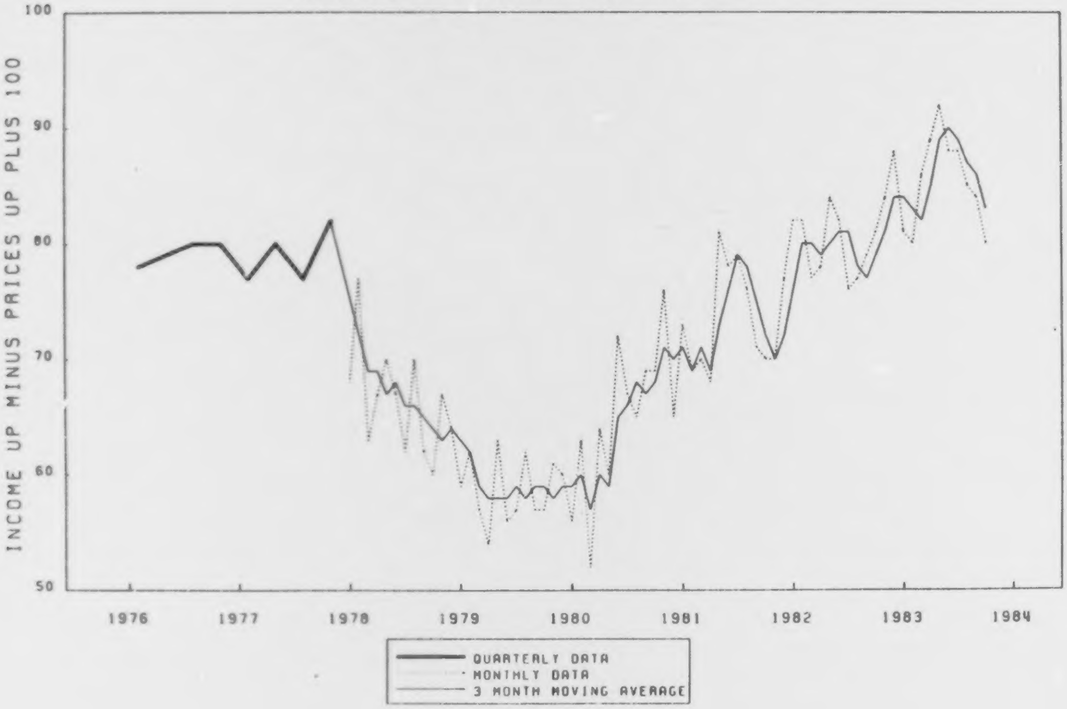
## TABLE 9

## PAST CHANGE IN REAL FAMILY INCOME

| | Oct. 1982 | Nov. 1982 | Dec. 1982 | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| INCOME UP MORE | 18% | 16% | 14% | 14% | 14% | 16% | 17% | 16% | 17% | 18% | 20% | 15% | 20% |
| INCOME UP SAME | 27 | 33 | 35 | 30 | 27 | 25 | 32 | 30 | 32 | 29 | 26 | 31 | 32 |
| PRICES UP MORE | 54 | 50 | 49 | 54 | 57 | 58 | 49 | 53 | 49 | 51 | 53 | 52 | 47 |
| DK,NA | 1 | 1 | 2 | 2 | 2 | 1 | 2 | 1 | 2 | 2 | 1 | 2 | 1 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 687 | 682 | 682 | 682 | 709 | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 |

The question was: "During the last year or two, would you say that your (family) income went up more than prices, went up about the same as prices, or went up less than prices?"

CHART 10 - RECENT CHANGES
INCOME OR PRICES UP MORE NEXT YEAR



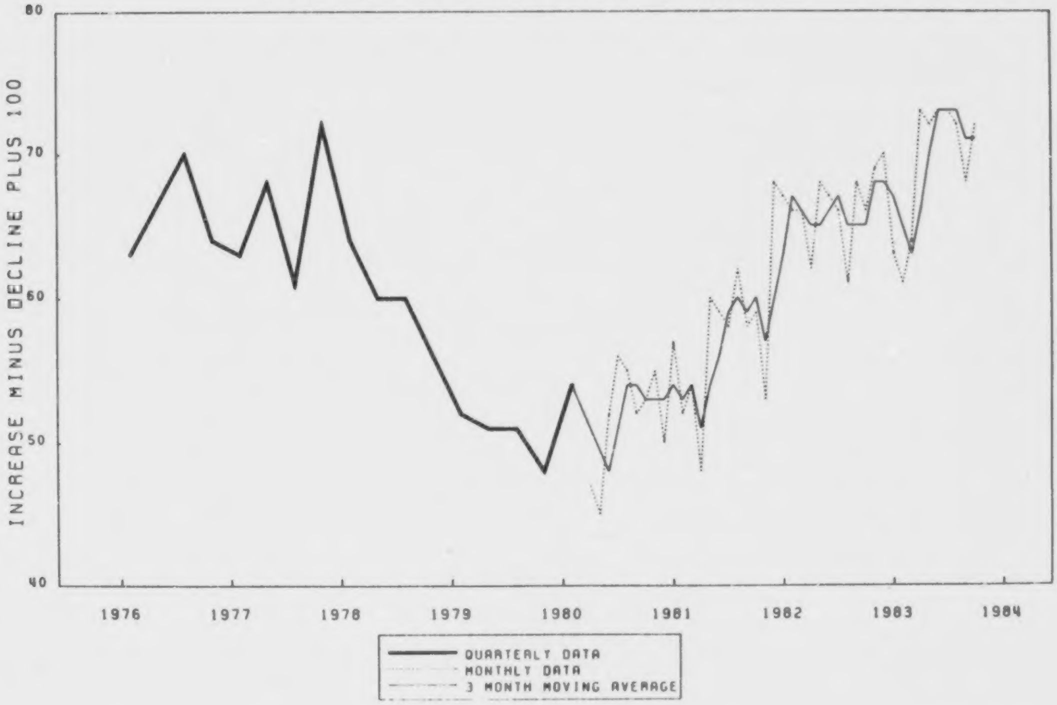
## TABLE 10

## EXPECTED CHANGE IN REAL FAMILY INCOME

| | Oct. 1982 | Nov. 1982 | Dec. 1982 | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| INCOME UP MORE | 18% | 19% | 21% | 19% | 16% | 21% | 19% | 24% | 20% | 22% | 19% | 19% | 18% |
| INCOME UP SAME | 42 | 42 | 44 | 40 | 44 | 41 | 46 | 42 | 46 | 41 | 43 | 44 | 41 |
| PRICES UP MORE | 37 | 35 | 33 | 38 | 36 | 35 | 30 | 32 | 32 | 34 | 34 | 35 | 38 |
| DK,NA | 3 | 4 | 2 | 3 | 4 | 3 | 5 | 2 | 2 | 3 | 4 | 2 | 3 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 687 | 682 | 682 | 682 | 709 | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 |

The question was: "How about the next year or two--do you expect that your (family) income will go up more than prices will go up, about the same, or less than prices will go up?"

CHART 11 - RECENT CHANGES
TREND IN INCOME AND PRICE COMPARISON



## TABLE 11

## TREND IN FAMILY INCOME AND PRICES COMPARISONS

| | Oct. 1982 | Nov. 1982 | Dec. 1982 | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| REAL INCOME PROGRESS: | | | | | | | | | | | | | |
| Continuous increase (a) | 9% | 9% | 8% | 8% | 8% | 10% | 9% | 10% | 9% | 10% | 10% | 8% | 11% |
| Intermittent increase (b) | 10 | 10 | 11 | 9 | 8 | 8 | 11 | 10 | 12 | 13 | 13 | 10 | 10 |
| Remain unchanged (c) | 17 | 19 | 21 | 18 | 17 | 15 | 21 | 19 | 21 | 17 | 16 | 21 | 20 |
| Intermittent decline (d) | 23 | 25 | 25 | 24 | 27 | 27 | 23 | 23 | 23 | 23 | 24 | 23 | 21 |
| Continuous decline (e) | 30 | 25 | 24 | 30 | 28 | 27 | 24 | 25 | 25 | 27 | 27 | 27 | 28 |
| Mixed change (f) | 8 | 7 | 7 | 7 | 7 | 9 | 7 | 11 | 7 | 7 | 6 | 8 | 7 |
| DK,NA | 3 | 5 | 4 | 4 | 5 | 4 | 5 | 2 | 3 | 3 | 4 | 3 | 3 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 687 | 682 | 682 | 682 | 709 | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 |

Combination of the responses to the questions on Tables 9 and 10.

Key: (a) Income up more last year/Income up more next year
(b) Income up more/Same or Income up same/More
(c) Income up same/Same
(d) Prices up more/Same or Prices up same/More
(e) Prices up more/More
(f) Income up more/Prices up more or Prices up more/Income up more

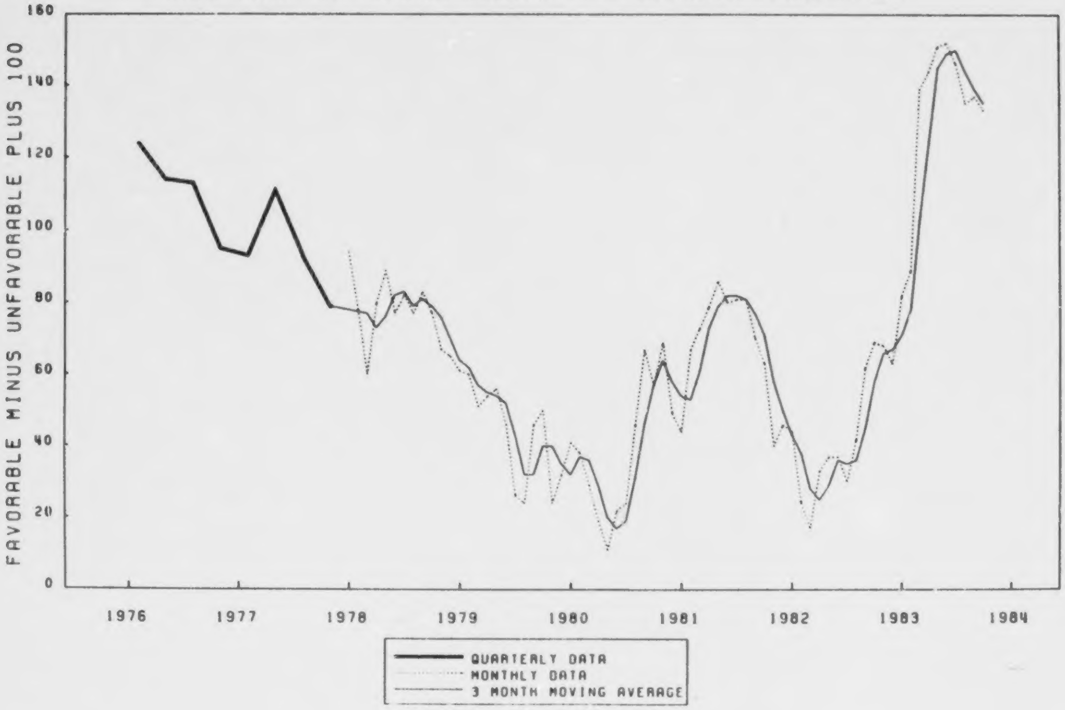


CHART 12 - RECENT CHANGES

NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS

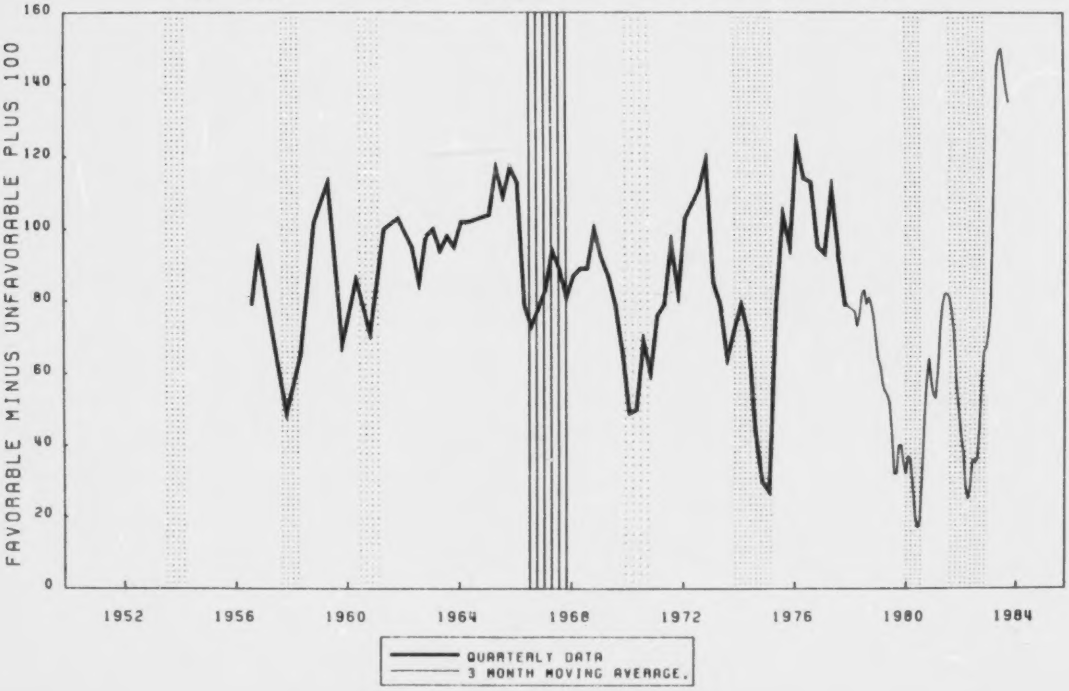


CHART 12 - HISTORICAL SERIES

NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS

## TABLE 12

## NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS +

| | Oct. 1982 | Nov. 1982 | Dec. 1982 | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| FAVORABLE NEWS | 39% | 40% | 39% | 47% | 49% | 79% | 76% | 80% | 83% | 74% | 69% | 64% | 63% |
| UNFAVORABLE NEWS | 70 | 72 | 76 | 65 | 60 | 40 | 32 | 29 | 31 | 28 | 34 | 27 | 30 |
| NO MENTIONS | 29 | 29 | 27 | 28 | 32 | 28 | 32 | 31 | 27 | 34 | 34 | 43 | 41 |

The questions were: "During the last few months, have you heard of any favorable or unfavorable changes in business conditions?" and "What did you hear?"

+ : May add to more than 100% due to multiple mentions.

CHART 13A - HISTORICAL SERIES

TYPE OF NEWS HEARD ABOUT CHANGES IN BUSINESS CONDITIONS

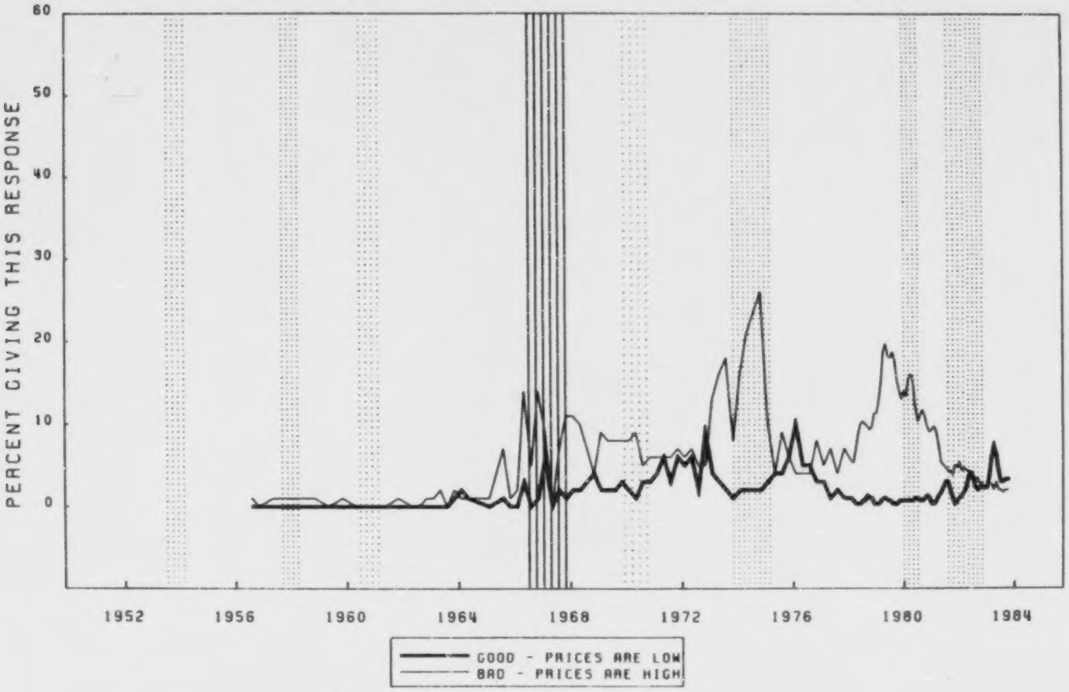
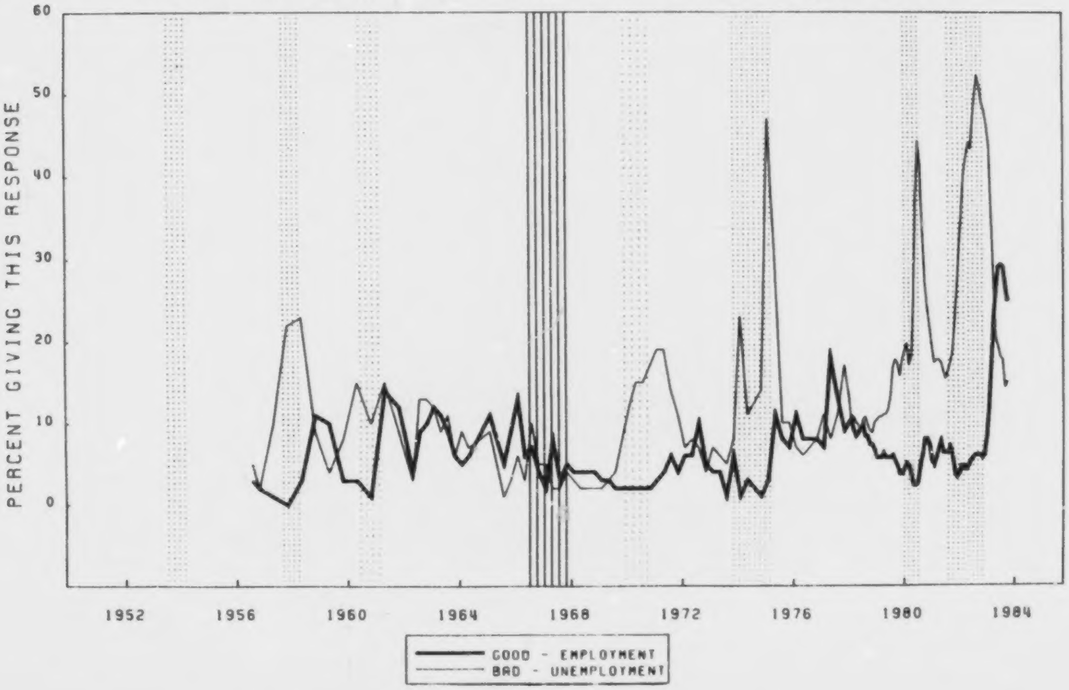


CHART 13B - HISTORICAL SERIES

TYPE OF NEWS HEARD ABOUT CHANGES IN BUSINESS CONDITIONS



## TABLE 13

## SELECTED ITEMS OF NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS +

| | Oct. 1982 | Nov. 1982 | Dec. 1982 | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| FAVORABLE NEWS: | | | | | | | | | | | | | |
| Government; elections | 1% | 2% | 2% | 3% | 2% | 2% | 2% | 1% | 1% | 2% | 2% | 1% | 2% |
| Employment | 5 | 6 | 7 | 12 | 17 | 22 | 29 | 28 | 31 | 29 | 27 | 25 | 23 |
| Consumer demand high | 2 | 2 | 3 | 4 | 6 | 8 | 8 | 11 | 12 | 11 | 13 | 11 | 11 |
| Prices are low | 3 | 2 | 2 | 3 | 6 | 9 | 7 | 3 | 3 | 3 | 3 | 4 | 3 |
| Credit is easy | 17 | 18 | 15 | 15 | 9 | 17 | 15 | 16 | 17 | 11 | 8 | 8 | 7 |
| UNFAVORABLE NEWS: | | | | | | | | | | | | | |
| Government; elections | 3 | 2 | 3 | 3 | 4 | 2 | 3 | 3 | 2 | 2 | 3 | 1 | 1 |
| Unemployment | 48 | 47 | 49 | 43 | 39 | 24 | 20 | 17 | 21 | 16 | 16 | 11 | 18 |
| Consumer demand low | 5 | 7 | 8 | 5 | 3 | 3 | 3 | 2 | 2 | 2 | 2 | 1 | 1 |
| Prices are high | 1 | 3 | 2 | 3 | 3 | 2 | 1 | 3 | 2 | 1 | 2 | 3 | 1 |
| Credit is tight | 3 | 1 | 1 | 2 | 1 | * | 1 | 1 | 1 | 3 | 6 | 4 | 2 |
| Energy crisis | * | * | * | * | * | * | * | * | * | * | * | * | * |

The questions were: "During the last few months, have you heard of any favorable or unfavorable changes in business conditions?" and "What did you hear?"

+ : May add to more than 100% due to multiple mentions.

* : Less than half of one percent.

CHART 14 - RECENT CHANGES
CURRENT BUSINESS CONDITIONS COMPARED WITH A YEAR AGO

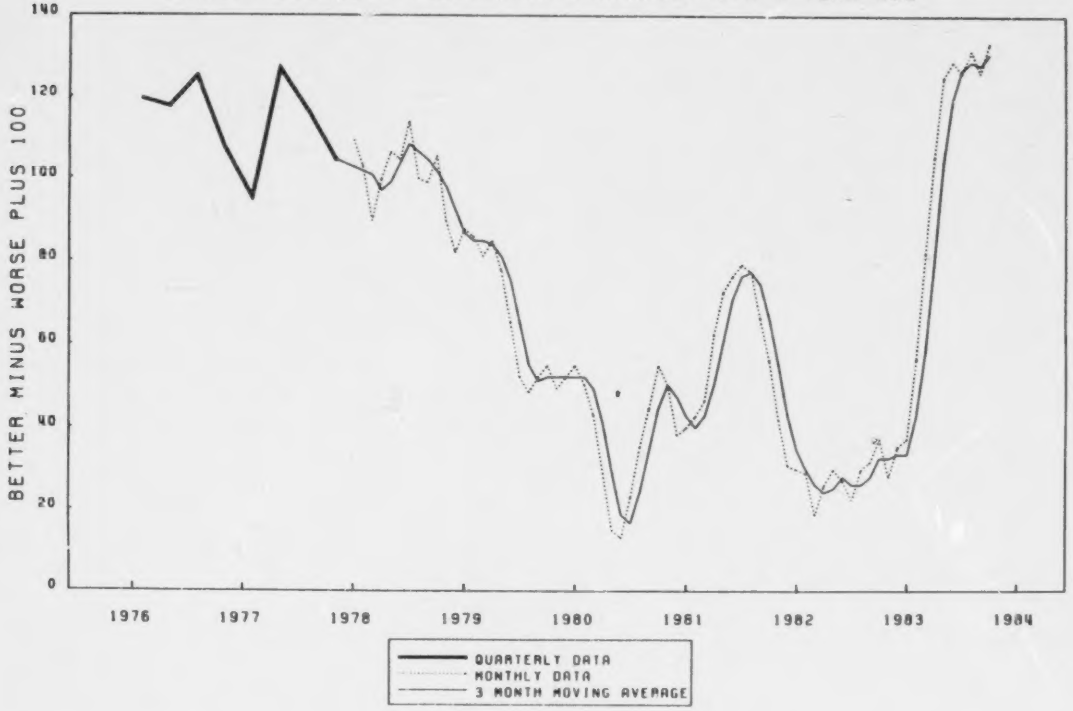
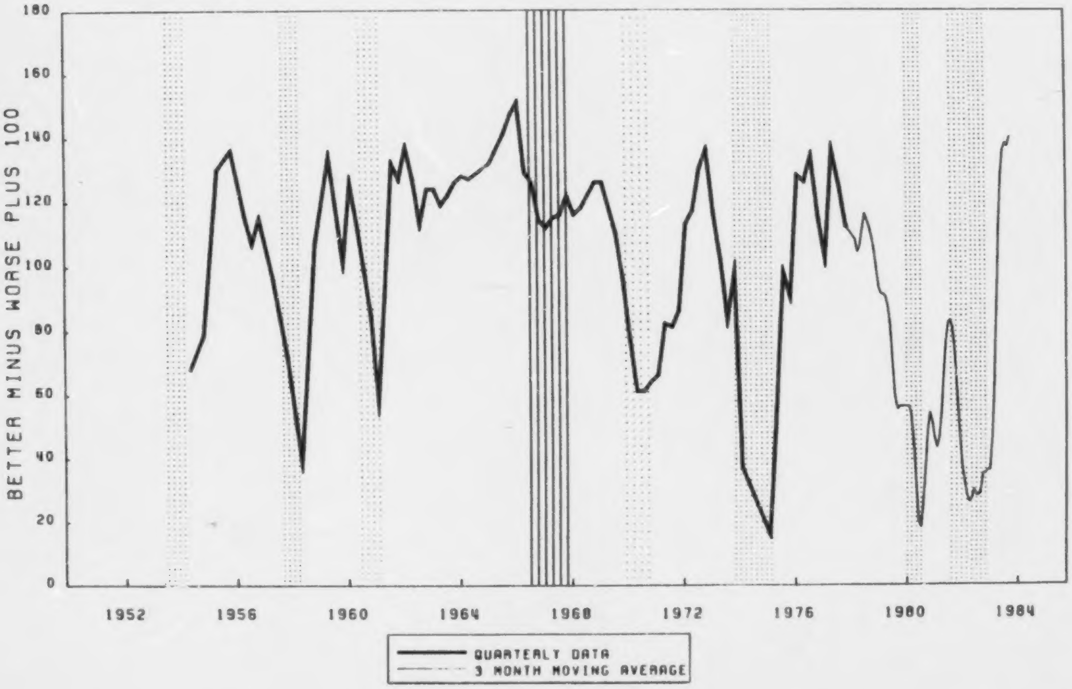


CHART 14 - HISTORICAL SERIES
CURRENT BUSINESS CONDITIONS COMPARED WITH A YEAR AGO



## TABLE 14

## CURRENT BUSINESS CONDITIONS COMPARED TO A YEAR AGO

| | Oct. 1982 | Nov. 1982 | Dec. 1982 | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| BETTER NOW | 15% | 12% | 14% | 16% | 26% | 39% | 51% | 62% | 64% | 63% | 66% | 62% | 66% |
| SAME | 9 | 5 | 9 | 8 | 8 | 10 | 10 | 10 | 9 | 8 | 8 | 10 | 9 |
| WORSE NOW | 75 | 82 | 76 | 76 | 65 | 51 | 38 | 28 | 26 | 28 | 25 | 27 | 23 |
| DK,NA | 1 | 1 | 1 | * | 1 | * | 1 | * | 1 | 1 | 1 | 1 | 2 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 687 | 682 | 682 | 682 | 709 | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 |

The question was: "Would you say that at the present time business conditions are better or worse than they were a year ago?"

* : Less than half of one percent.

CHART 15 - RECENT CHANGES

EXPECTED CHANGE IN BUSINESS CONDITIONS IN A YEAR

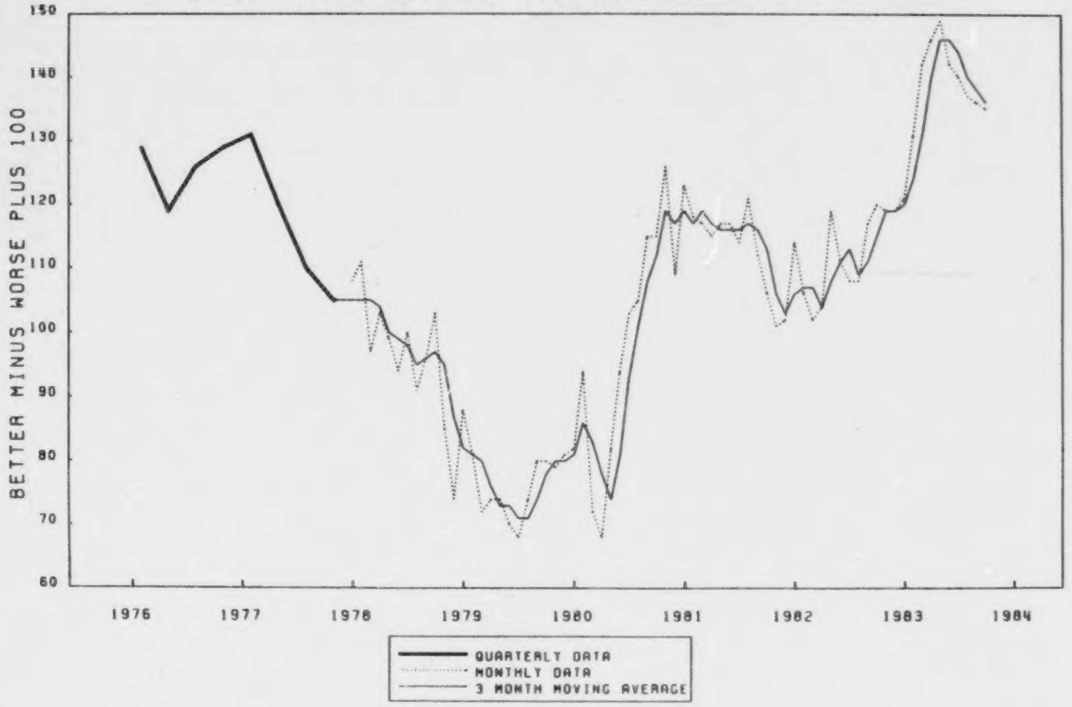
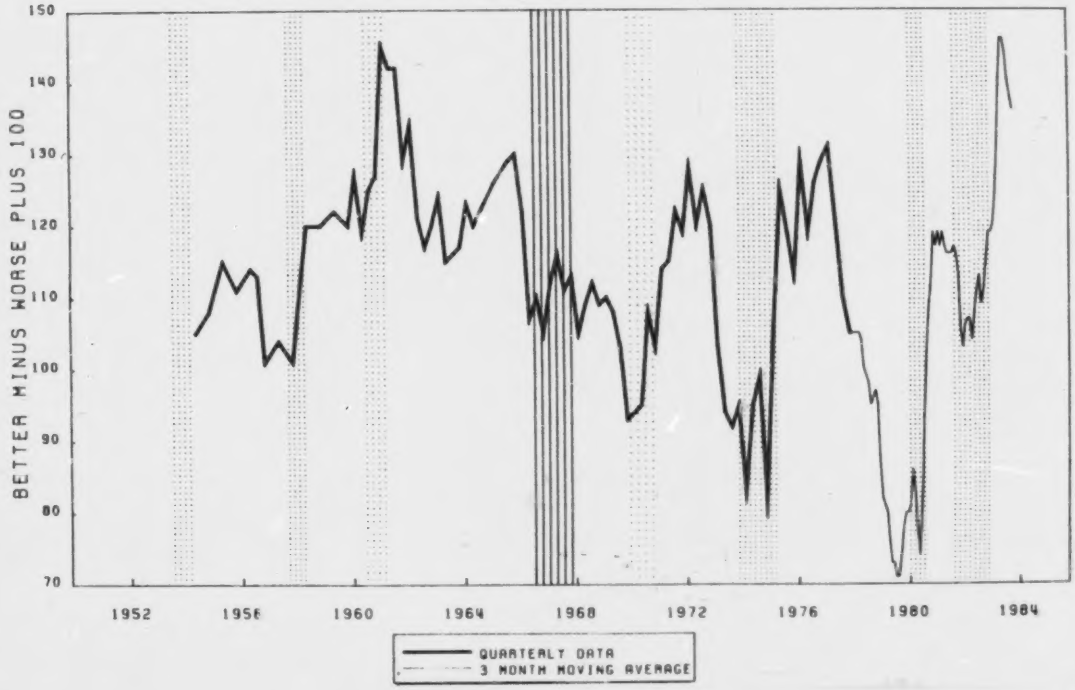


CHART 15 - HISTORICAL SERIES

EXPECTED CHANGE IN BUSINESS CONDITIONS IN A YEAR



## TABLE 15

## EXPECTED CHANGE IN BUSINESS CONDITIONS IN A YEAR

| | Oct. 1982 | Nov. 1982 | Dec. 1982 | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| BETTER | 40% | 38% | 39% | 38% | 45% | 51% | 53% | 55% | 49% | 48% | 47% | 46% | 46% |
| SAME | 36 | 41 | 41 | 43 | 40 | 39 | 38 | 38 | 42 | 42 | 42 | 42 | 41 |
| WORSE | 20 | 19 | 20 | 17 | 14 | 9 | 7 | 6 | 7 | 8 | 10 | 10 | 11 |
| DK,NA | 4 | 2 | * | 2 | 1 | 1 | 2 | 1 | 2 | 2 | 1 | 2 | 2 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 687 | 682 | 682 | 682 | 709 | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 |

The question was: "And how about a year from now, do you expect that in the country as a whole business conditions will be better, or worse than they are at present, or just about the same?"

* : Less than half of one percent.

CHART 16A - HISTORICAL SERIES

REASONS FOR OPINIONS ABOUT BUSINESS CONDITIONS IN A YEAR

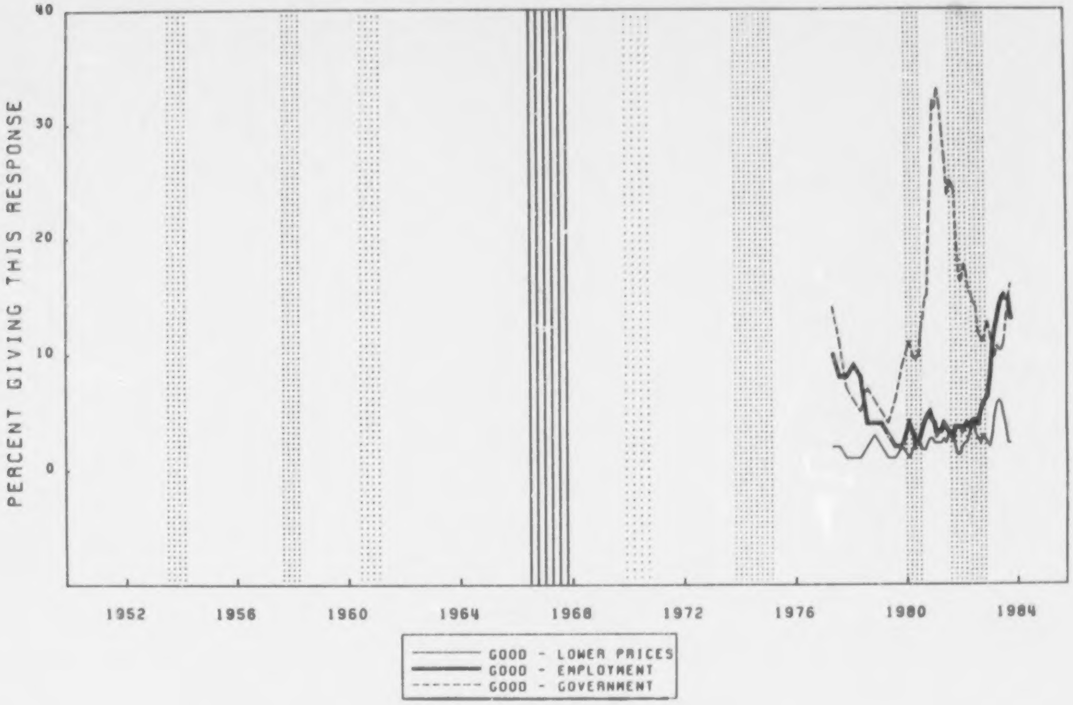
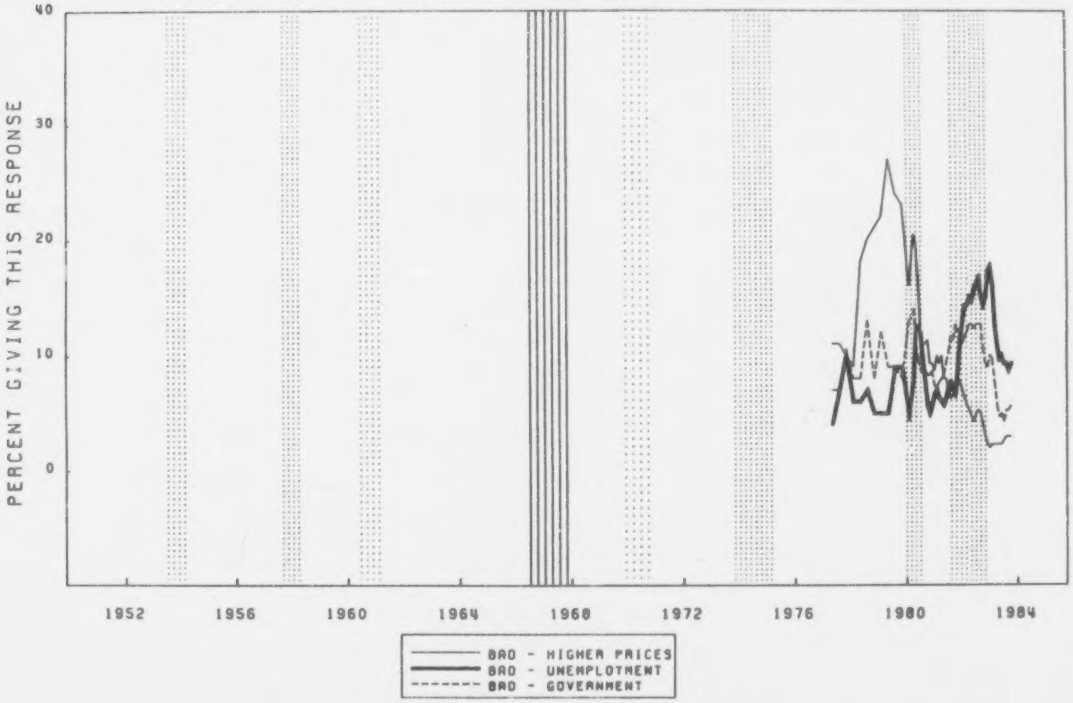


CHART 16B - HISTORICAL SERIES

REASONS FOR OPINIONS ABOUT BUSINESS CONDITIONS IN A YEAR



## TABLE 16

## REASONS FOR OPINIONS ABOUT CHANGES IN BUSINESS CONDITIONS IN A YEAR +

| | Oct. 1982 | Nov. 1982 | Dec. 1982 | Jan 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| FAVORABLE REASONS: | | | | | | | | | | | | | |
| Government; elections | 11% | 14% | 13% | 8% | 11% | 10% | 11% | 10% | 10% | 13% | 16% | 15% | 17% |
| Employment | 6 | 5 | 8 | 11 | 13 | 12 | 14 | 16 | 14 | 15 | 15 | 14 | 10 |
| Higher consumer demand | 4 | 4 | 6 | 5 | 7 | 6 | 9 | 10 | 9 | 7 | 6 | 7 | 8 |
| Lower prices | 4 | 1 | 2 | 3 | 4 | 7 | 6 | 5 | 6 | 3 | 2 | 2 | 3 |
| Easier credit | 15 | 12 | 12 | 12 | 12 | 13 | 14 | 12 | 12 | 7 | 6 | 5 | 6 |
| UNFAVORABLE REASONS: | | | | | | | | | | | | | |
| Government; elections | 8 | 8 | 11 | 11 | 7 | 5 | 5 | 4 | 6 | 4 | 6 | 6 | 5 |
| Unemployment | 14 | 18 | 20 | 15 | 13 | 10 | 10 | 9 | 11 | 8 | 9 | 9 | 10 |
| Lower consumer demand | 3 | 5 | 5 | 4 | 4 | 2 | 4 | 2 | 2 | 4 | 3 | 1 | 3 |
| Higher prices | 3 | 2 | 2 | 2 | 3 | 2 | 2 | 3 | 2 | 3 | 4 | 2 | 3 |
| Tighter credit | 3 | 3 | 2 | 2 | 2 | 1 | 2 | 2 | 3 | 4 | 3 | 2 | 2 |
| Energy crisis | * | * | * | * | * | * | * | * | * | * | * | * | * |

The question was: "Why do you expect business conditions to be better/the same/worse a year from now?" following the question on table 15.

+ : May add to more than 100% due to multiple mentions.

* : Less than half of one percent.

CHART 17 - RECENT CHANGES
TREND IN PAST AND EXPECTED BUSINESS CONDITIONS

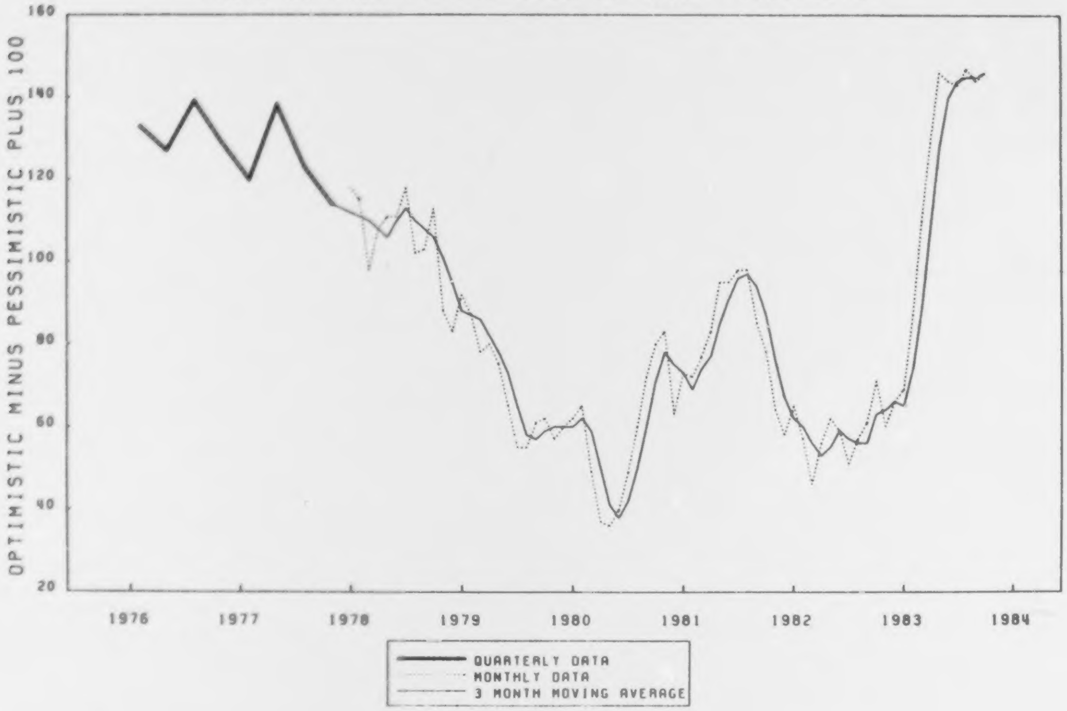
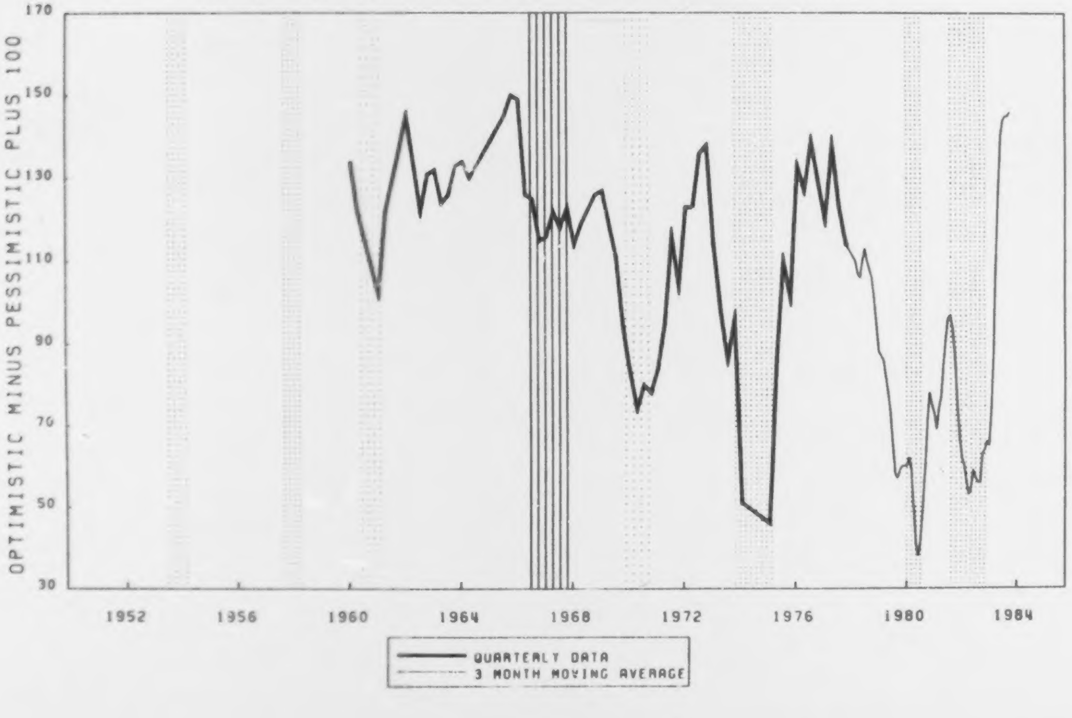


CHART 17 - HISTORICAL SERIES
TREND IN PAST AND EXPECTED BUSINESS CONDITIONS



## TABLE 17

## TREND IN PAST AND EXPECTED CHANGES IN BUSINESS CONDITIONS

| | Oct. 1982 | Nov. 1982 | Dec. 1982 | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| TREND: | | | | | | | | | | | | | |
| Continuous increase (a) | 10% | 8% | 8% | 11% | 18% | 28% | 36% | 42% | 39% | 39% | 38% | 34% | 39% |
| Intermittent increase (b) | 9 | 7 | 9 | 9 | 11 | 15 | 18 | 23 | 26 | 24 | 27 | 28 | 26 |
| Remain unchanged (c) | 3 | 1 | 4 | 3 | 4 | 4 | 5 | 5 | 5 | 5 | 6 | 7 | 5 |
| Intermittent decline (d) | 29 | 37 | 33 | 35 | 29 | 25 | 19 | 14 | 16 | 15 | 12 | 12 | 13 |
| Continuous decline (e) | 19 | 18 | 18 | 16 | 13 | 8 | 6 | 5 | 5 | 5 | 6 | 6 | 6 |
| Mixed change (f) | 26 | 27 | 27 | 24 | 23 | 18 | 14 | 10 | 7 | 9 | 9 | 10 | 7 |
| DK,NA | 4 | 2 | 1 | 2 | 2 | 2 | 2 | 1 | 2 | 3 | 2 | 3 | 4 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 687 | 682 | 682 | 682 | 709 | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 |

Combination of the responses to the questions on Tables 14 and 15.

Key: (a) Better than a year ago/Better a year from now
(b) Better/Same or Same/Better
(c) Same/Same
(d) Worse/Same or Same/Worse
(e) Worse/Worse
(f) Worse/Better or Better/Worse

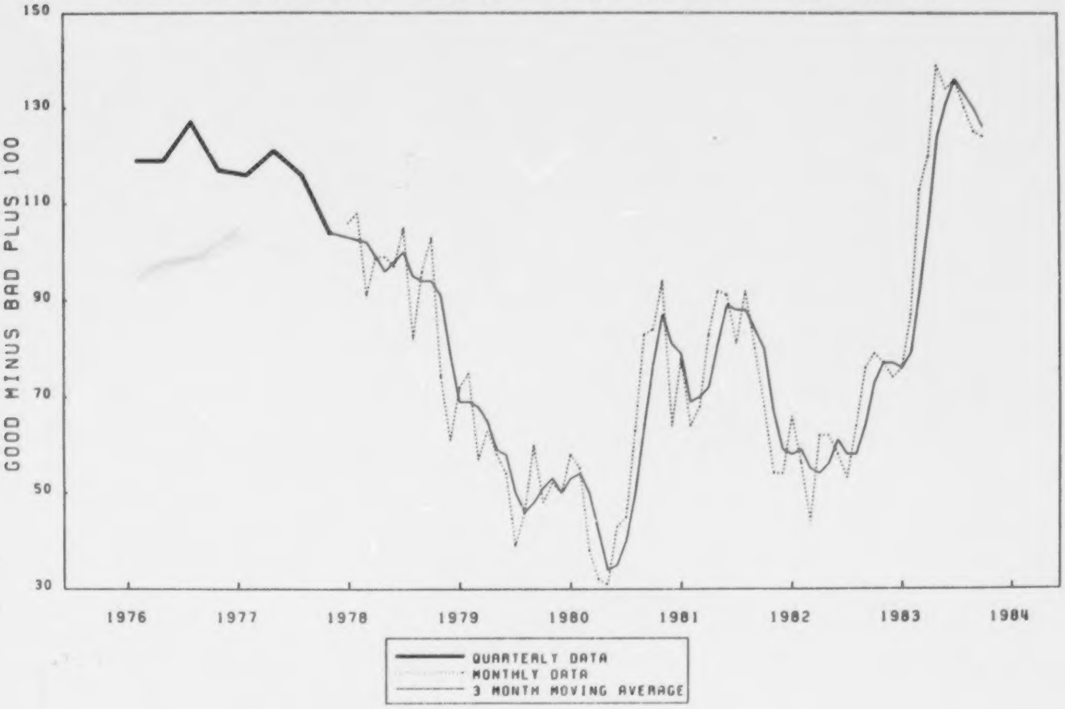


CHART 18 - RECENT CHANGES

BUSINESS CONDITIONS EXPECTED DURING THE NEXT TWELVE MONTHS

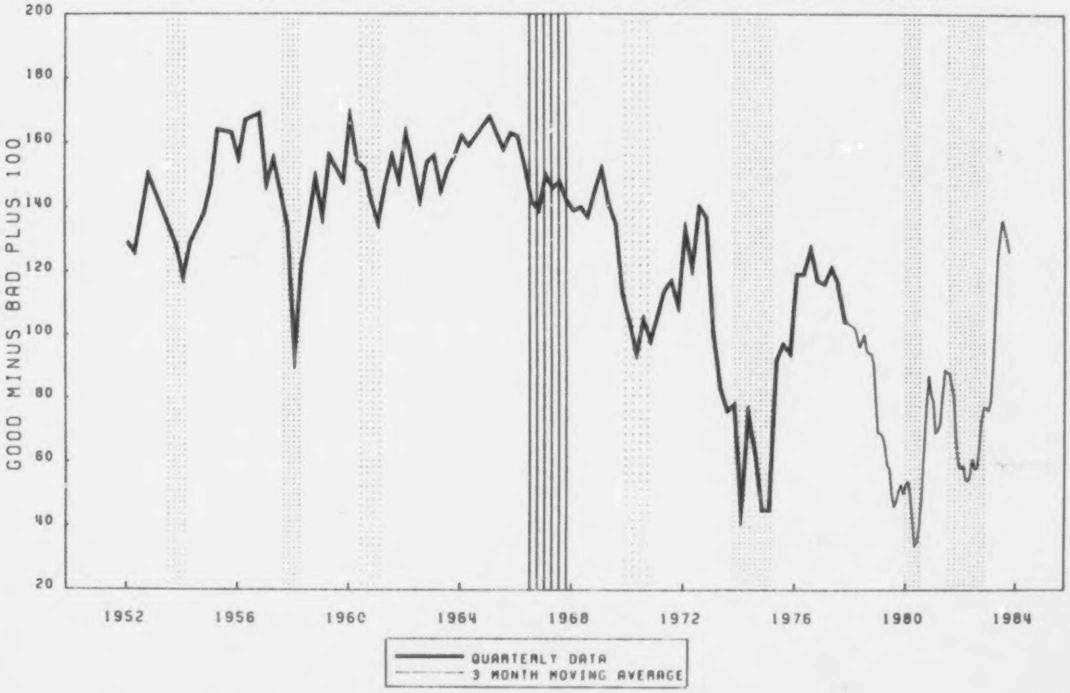


CHART 18 - HISTORICAL SERIES

BUSINESS CONDITIONS EXPECTED DURING THE NEXT TWELVE MONTHS

## TABLE 18

## BUSINESS CONDITIONS EXPECTED DURING THE NEXT 12 MONTHS

| | Oct. 1982 | Nov. 1982 | Dec. 1982 | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| GOOD TIMES | 35% | 33% | 32% | 34% | 39% | 52% | 56% | 65% | 63% | 63% | 60% | 58% | 58% |
| UNCERTAIN; GOOD & BAD | 3 | 4 | 2 | 1 | 1 | 2 | 1 | 2 | 3 | 3 | 3 | 2 | 3 |
| BAD TIMES | 56 | 56 | 58 | 58 | 52 | 39 | 36 | 26 | 29 | 27 | 30 | 33 | 34 |
| DON'T KNOW | 4 | 3 | 5 | 3 | 3 | 4 | 3 | 4 | 3 | 6 | 5 | 5 | 4 |
| NOT ASCERTAINED | 2 | 4 | 3 | 4 | 5 | 3 | 4 | 3 | 2 | 1 | 2 | 2 | 1 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 687 | 682 | 682 | 682 | 709 | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 |

The question was: "Now turning to business conditions in the country as a whole--do you think that during the next 12 months we'll have good times financially, or bad times or what?"

CHART 19 - RECENT CHANGES
BUSINESS CONDITIONS EXPECTED FOR THE NEXT FIVE YEARS

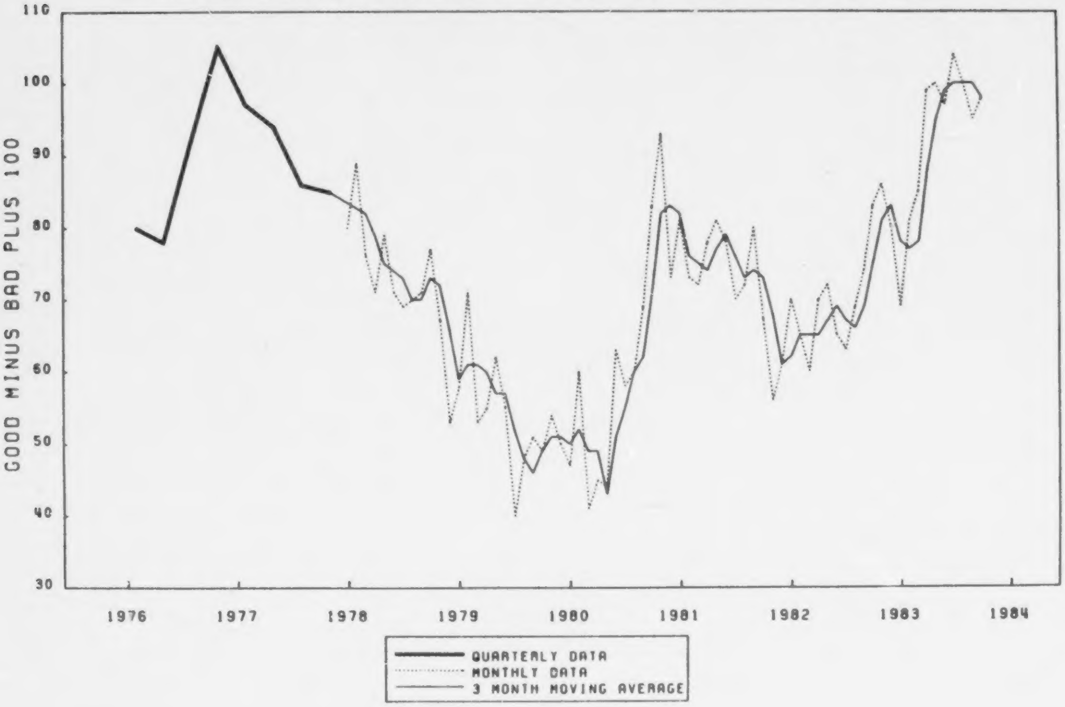
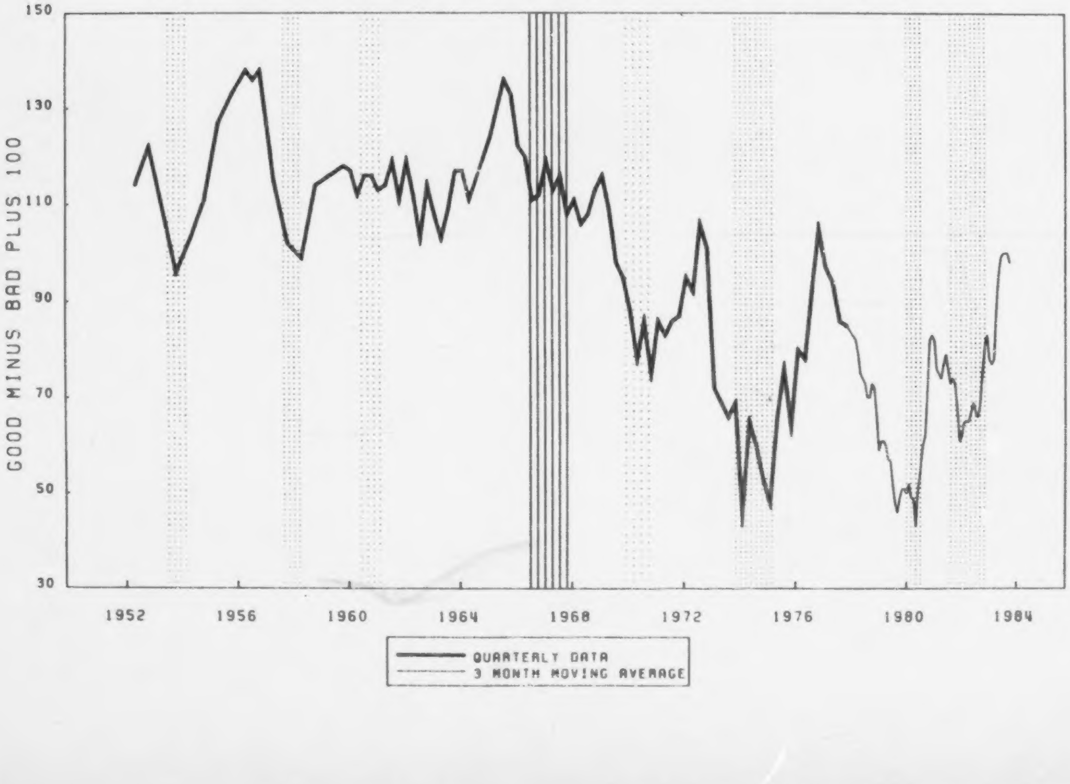


CHART 19 - HISTORICAL SERIES
BUSINESS CONDITIONS EXPECTED FOR THE NEXT FIVE YEARS



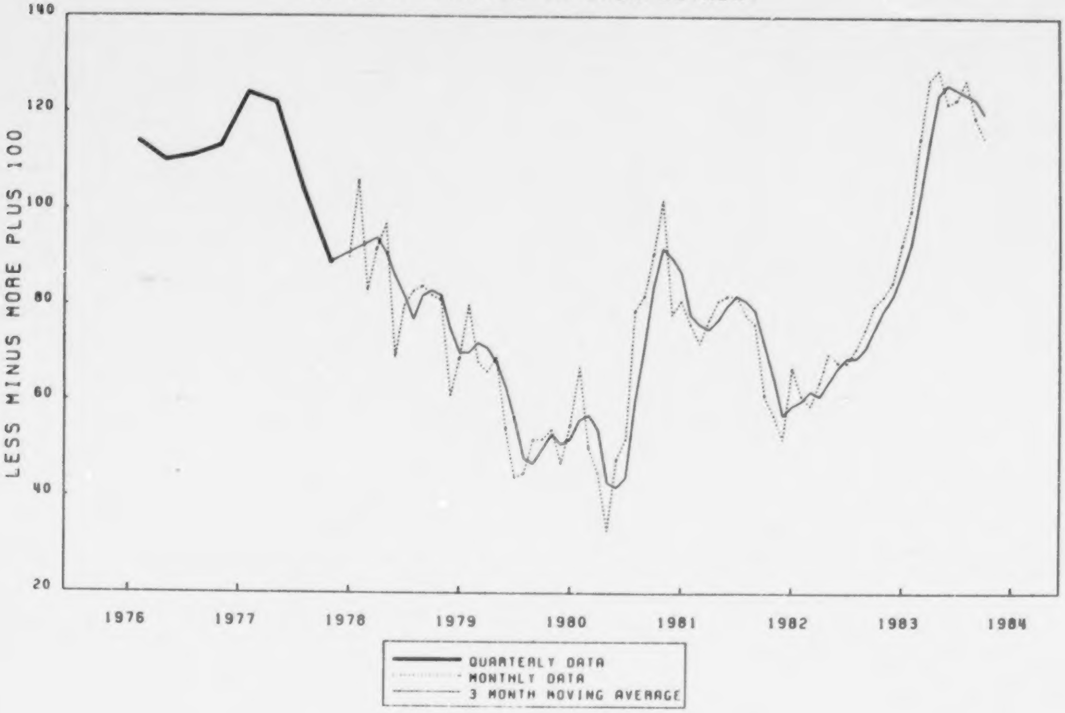
## TABLE 19

## BUSINESS CONDITIONS EXPECTED DURING THE NEXT FIVE YEARS

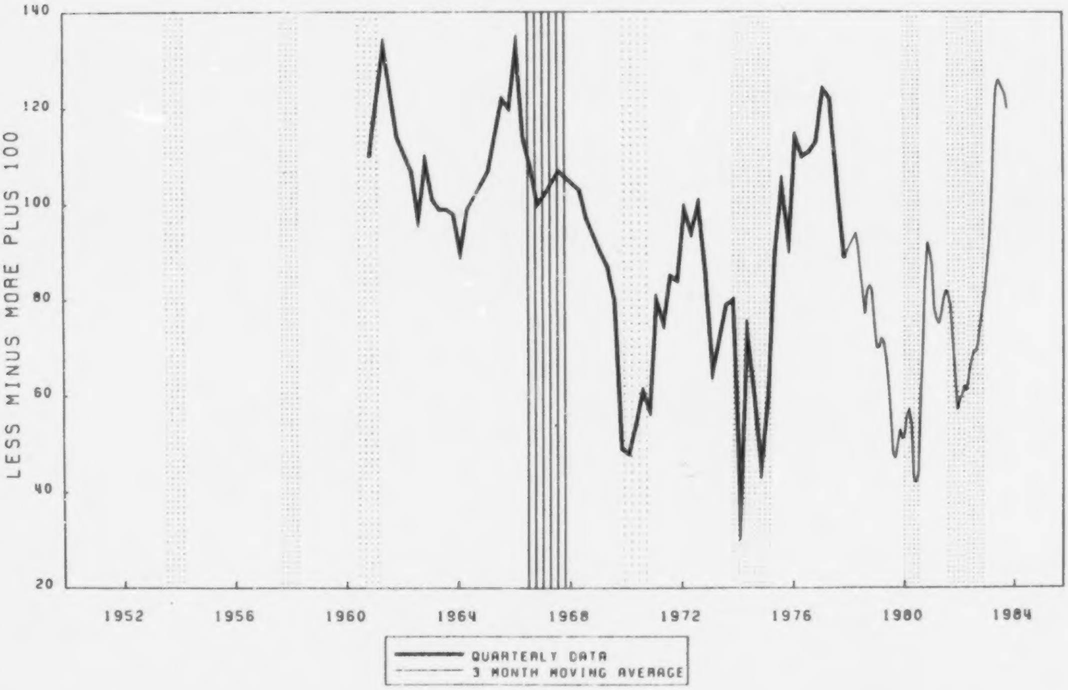
| | Oct. 1982 | Nov. 1982 | Dec. 1982 | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| GOOD TIMES | 32% | 33% | 29% | 26% | 31% | 33% | 38% | 39% | 39% | 39% | 37% | 37% | 39% |
| UNCERTAIN; GOOD & BAD | 14 | 14 | 14 | 12 | 13 | 15 | 18 | 18 | 15 | 20 | 22 | 19 | 17 |
| BAD TIMES | 49 | 47 | 49 | 57 | 50 | 48 | 39 | 39 | 42 | 35 | 37 | 42 | 41 |
| NOT ASCERTAINED | 5 | 6 | 8 | 5 | 6 | 4 | 5 | 4 | 4 | 6 | 4 | 2 | 3 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 687 | 682 | 682 | 682 | 709 | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 |

The question was: "Looking ahead, which would you say is more likely--that in the country as a whole we'll have continuous good times during the next 5 years or so, or that we will have periods of widespread unemployment or depression, or what?"

## CHART 20 - RECENT CHANGES
## EXPECTED CHANGE IN UNEMPLOYMENT



## CHART 20 - HISTORICAL SERIES
## EXPECTED CHANGE IN UNEMPLOYMENT



## TABLE 20

## EXPECTED CHANGE IN UNEMPLOYMENT

| | Oct. 1982 | Nov. 1982 | Dec. 1982 | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| LESS | 21% | 19% | 22% | 23% | 29% | 36% | 42% | 42% | 37% | 39% | 42% | 36% | 35% |
| SAME | 36 | 42 | 40 | 45 | 41 | 43 | 41 | 44 | 47 | 44 | 40 | 46 | 44 |
| MORE | 41 | 37 | 37 | 30 | 29 | 21 | 15 | 13 | 15 | 16 | 15 | 17 | 20 |
| DK,NA | 2 | 2 | 1 | 2 | 1 | * | 2 | 1 | 1 | 1 | 3 | 1 | 1 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 687 | 682 | 682 | 682 | 709 | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 |

The question was: "How about people out of work during the coming 12 months--do you think that there will be more unemployment than now, about the same, or less?"

* : Less than half of one percent.

CHART 21 - RECENT CHANGES
EXPECTED CHANGE IN INTEREST RATES

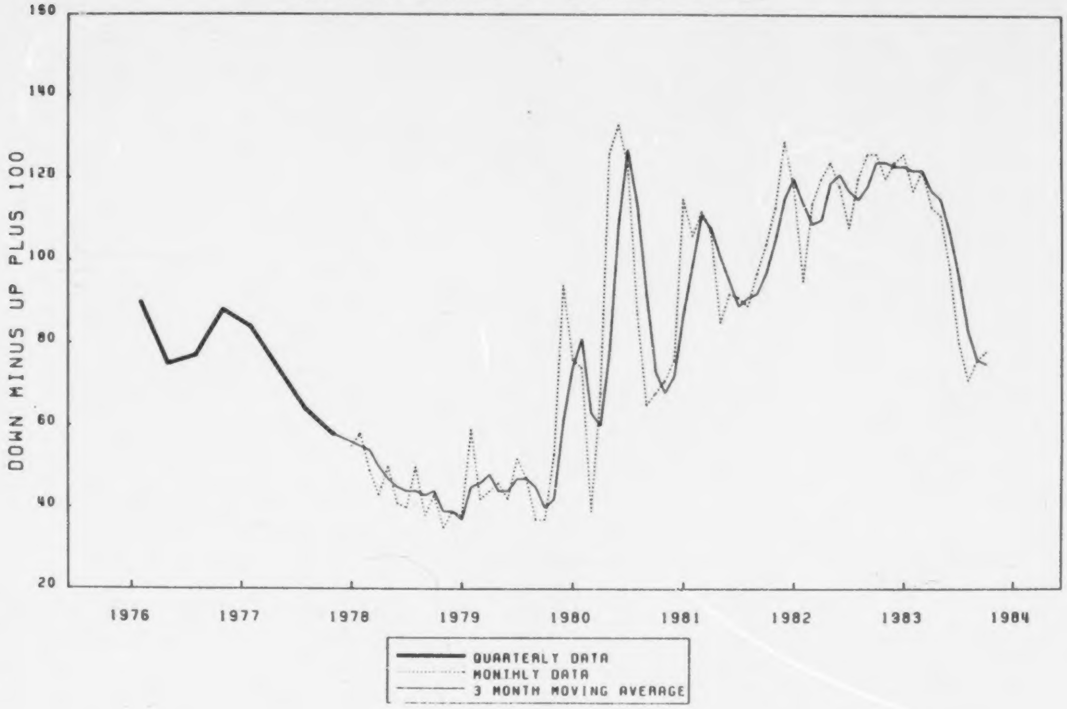


CHART 21 - HISTORICAL SERIES
EXPECTED CHANGE IN INTEREST RATES

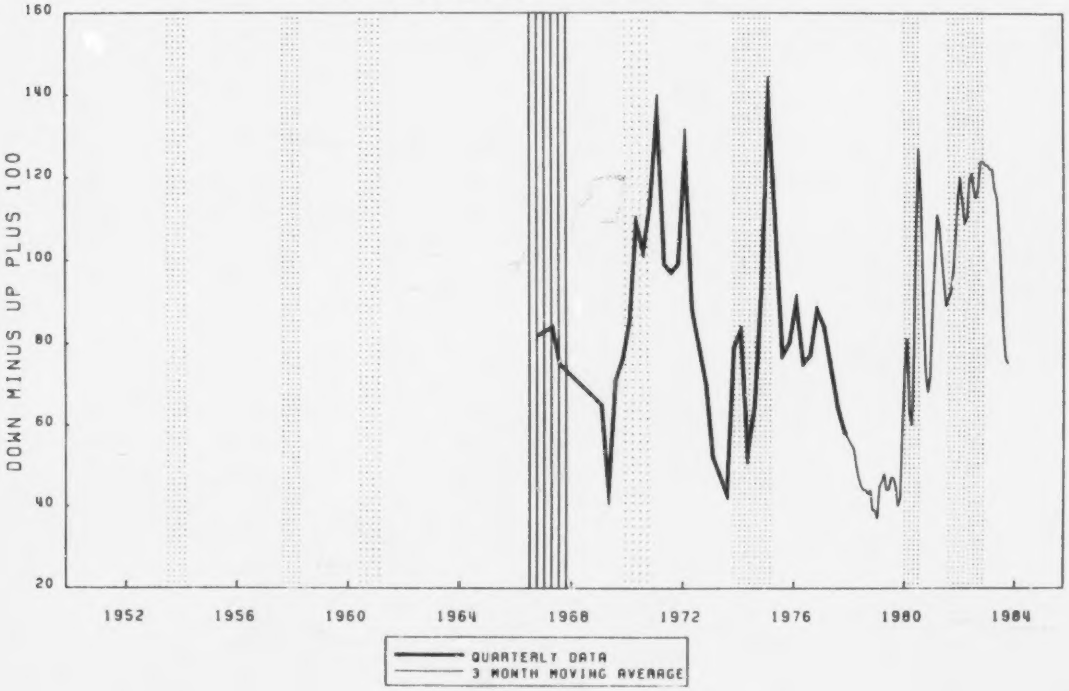


TABLE 21

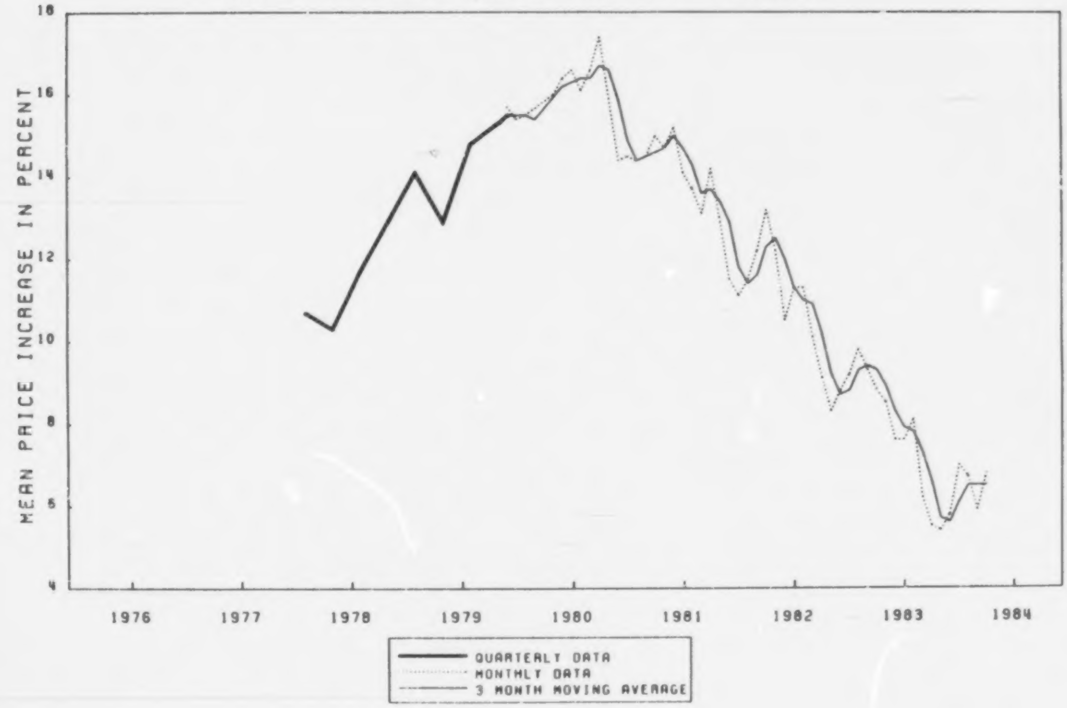
EXPECTED CHANGE IN INTEREST RATES

| | Oct. 1982 | Nov. 1982 | Dec. 1982 | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| GO UP | 22% | 25% | 20% | 18% | 24% | 19% | 21% | 20% | 29% | 40% | 47% | 44% | 43% |
| STAY THE SAME | 26 | 26 | 33 | 35 | 32 | 38 | 42 | 47 | 42 | 37 | 32 | 33 | 33 |
| GO DOWN | 48 | 45 | 44 | 44 | 41 | 41 | 34 | 31 | 27 | 20 | 18 | 20 | 21 |
| DK,NA | 4 | 4 | 3 | 3 | 3 | 2 | 3 | 2 | 2 | 3 | 3 | 3 | 3 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 687 | 682 | 682 | 682 | 709 | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 |

The question was: "No one can say for sure, but what do you think will happen to interest rates for borrowing money during the next 12 months--will they go up, stay the same, or go down?"

CHART 22 - RECENT CHANGES

CHANGE IN PRICES DURING THE LAST 12 MONTHS



## TABLE 22

## CHANGE IN PRICES DURING THE LAST 12 MONTHS

| | Oct. 1982 | Nov. 1982 | Dec. 1982 | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| SAME OR DOWN | 20% | 20% | 20% | 23% | 24% | 31% | 30% | 31% | 29% | 23% | 25% | 25% | 21% |
| GONE UP BY: | | | | | | | | | | | | | |
| 1-2% | 4 | 5 | 6 | 7 | 5 | 6 | 8 | 9 | 8 | 8 | 8 | 11 | 8 |
| 3-4% | 7 | 9 | 9 | 11 | 10 | 10 | 10 | 13 | 13 | 14 | 14 | 13 | 14 |
| 5% | 13 | 15 | 17 | 17 | 15 | 12 | 17 | 13 | 14 | 13 | 16 | 15 | 16 |
| 6-9% | 12 | 12 | 12 | 9 | 10 | 9 | 9 | 8 | 11 | 11 | 8 | 7 | 11 |
| 10-14% | 22 | 14 | 17 | 15 | 14 | 15 | 11 | 14 | 11 | 13 | 13 | 12 | 14 |
| 15% or more | 14 | 18 | 14 | 12 | 16 | 11 | 9 | 8 | 10 | 11 | 11 | 9 | 11 |
| DK how much up | 7 | 6 | 5 | 5 | 5 | 5 | 5 | 4 | 3 | 6 | 5 | 7 | 4 |
| DK,NA | 1 | 1 | * | 1 | 1 | 1 | 1 | * | 1 | 1 | * | 1 | 1 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| MEAN INCREASE | 8.8 | 8.5 | 7.6 | 7.6 | 8.1 | 6.2 | 5.5 | 5.4 | 5.8 | 7.0 | 6.7 | 5.9 | 6.8 |
| VARIANCE | 106 | 102 | 82 | 108 | 113 | 71 | 64 | 61 | 65 | 88 | 93 | 71 | 81 |
| CASES | 687 | 682 | 682 | 682 | 709 | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 |

The questions were: "During the last 12 months, have prices of the things you buy remained unchanged, or have they gone up, or have they gone down?" and "By about what percent do you think prices have gone up,on the average, during the last 12 months?"

* : Less than half of one percent.

CHART 23 - RECENT CHANGES
MEAN EXPECTED PRICE INCREASE OVER THE NEXT 12 MONTHS

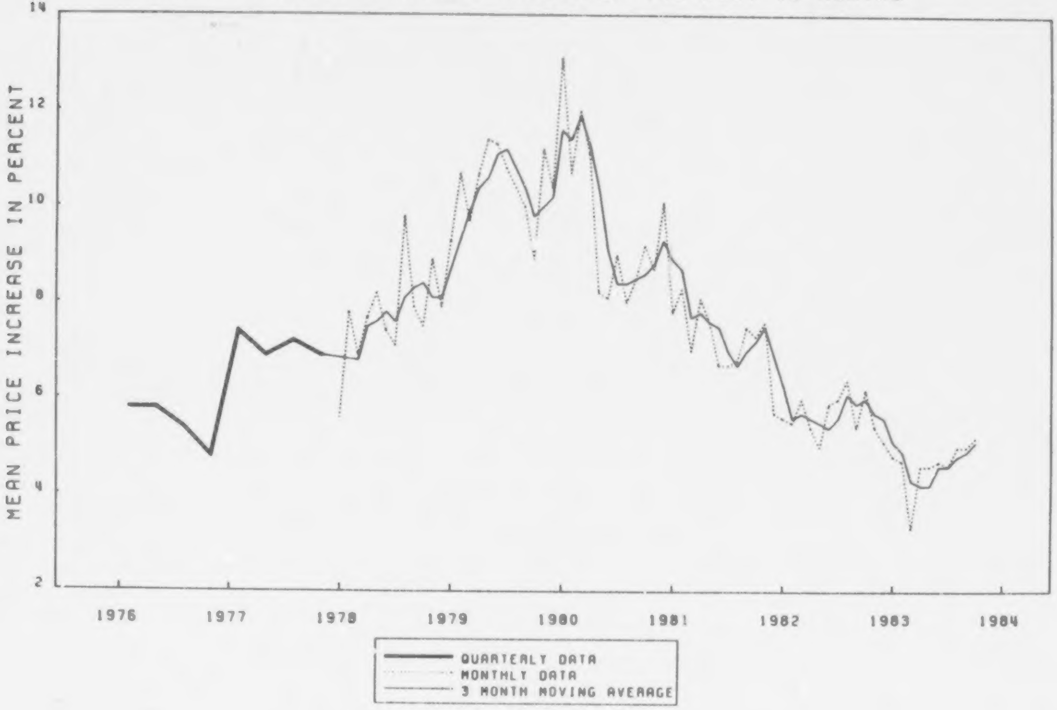
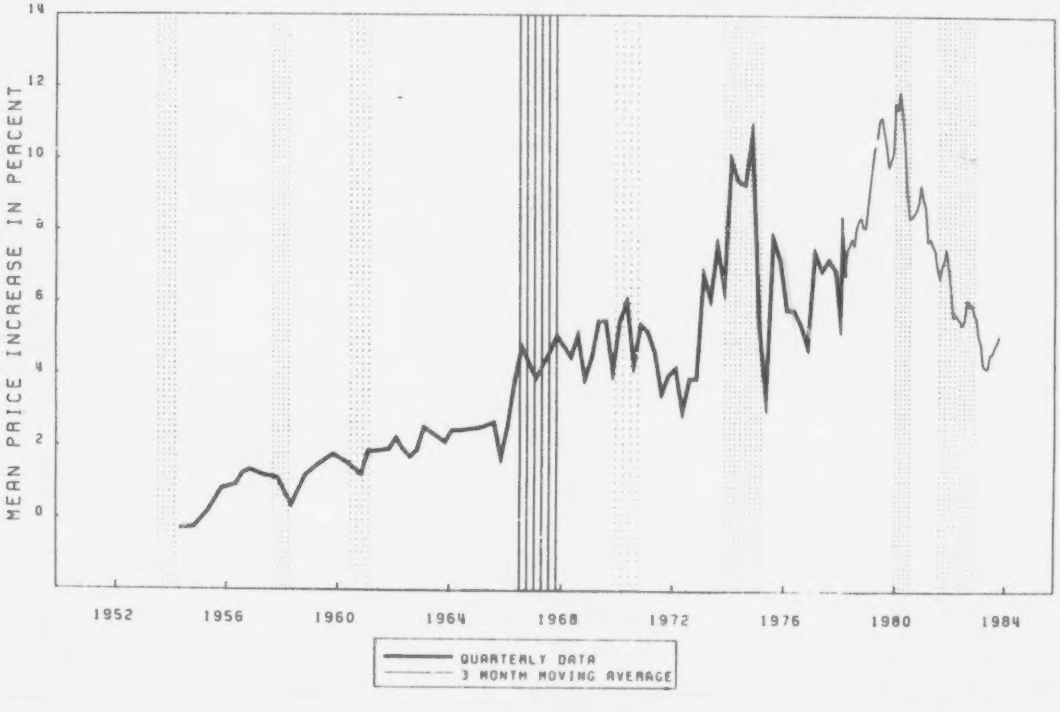


CHART 23 - HISTORICAL SERIES
MEAN EXPECTED PRICE INCREASE OVER THE NEXT 12 MONTHS



## TABLE 23

## EXPECTED CHANGE IN PRICES DURING THE NEXT 12 MONTHS

|  | Oct. 1982 | Nov. 1982 | Dec. 1982 | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| SAME OR DOWN | 31% | 32% | 33% | 35% | 36% | 44% | 30% | 32% | 33% | 29% | 23% | 28% | 24% |
| WILL GO UP BY: |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 1-2% | 5 | 5 | 6 | 10 | 8 | 9 | 10 | 9 | 8 | 12 | 14 | 13 | 12 |
| 3-4% | 8 | 10 | 13 | 11 | 12 | 12 | 13 | 13 | 15 | 15 | 16 | 14 | 15 |
| 5% | 14 | 15 | 15 | 16 | 15 | 14 | 17 | 17 | 16 | 15 | 16 | 16 | 15 |
| 6-9% | 11 | 11 | 9 | 7 | 9 | 5 | 10 | 10 | 9 | 9 | 9 | 7 | 10 |
| 10-14% | 15 | 12 | 11 | 9 | 8 | 8 | 9 | 10 | 9 | 9 | 9 | 10 | 11 |
| 15% or more | 9 | 9 | 8 | 7 | 7 | 4 | 5 | 5 | 6 | 6 | 6 | 7 | 8 |
| DK how much up | 5 | 3 | 3 | 3 | 3 | 3 | 4 | 3 | 3 | 3 | 5 | 4 | 4 |
| DK,NA | 2 | 3 | 2 | 2 | 2 | 1 | 2 | 1 | 1 | 2 | 2 | 1 | 1 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| MEAN INCREASE | 6.2 | 5.4 | 5.1 | 4.8 | 4.7 | 3.3 | 4.6 | 4.6 | 4.7 | 4.6 | 5.0 | 5.0 | 5.2 |
| VARIANCE | 82 | 55 | 56 | 67 | 60 | 33 | 45 | 49 | 54 | 44 | 47 | 51 | 36 |
| CASES | 687 | 682 | 682 | 682 | 709 | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 |

The questions were: "During the next 12 months, do you think that prices in general will go up, or go down, or stay where they are now?" and "By about what percent do you expect prices to go up, on the average, during the next 12 months?"

CHART 24 - RECENT CHANGES
UNEMPLOYMENT OR INFLATION MORE SERIOUS

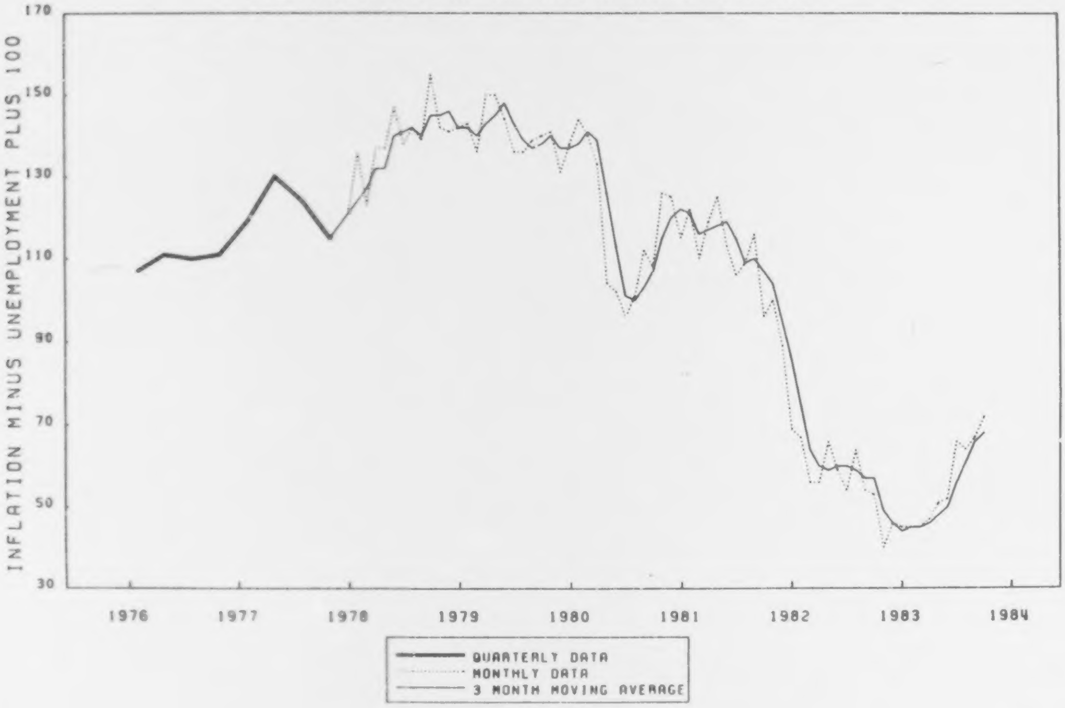
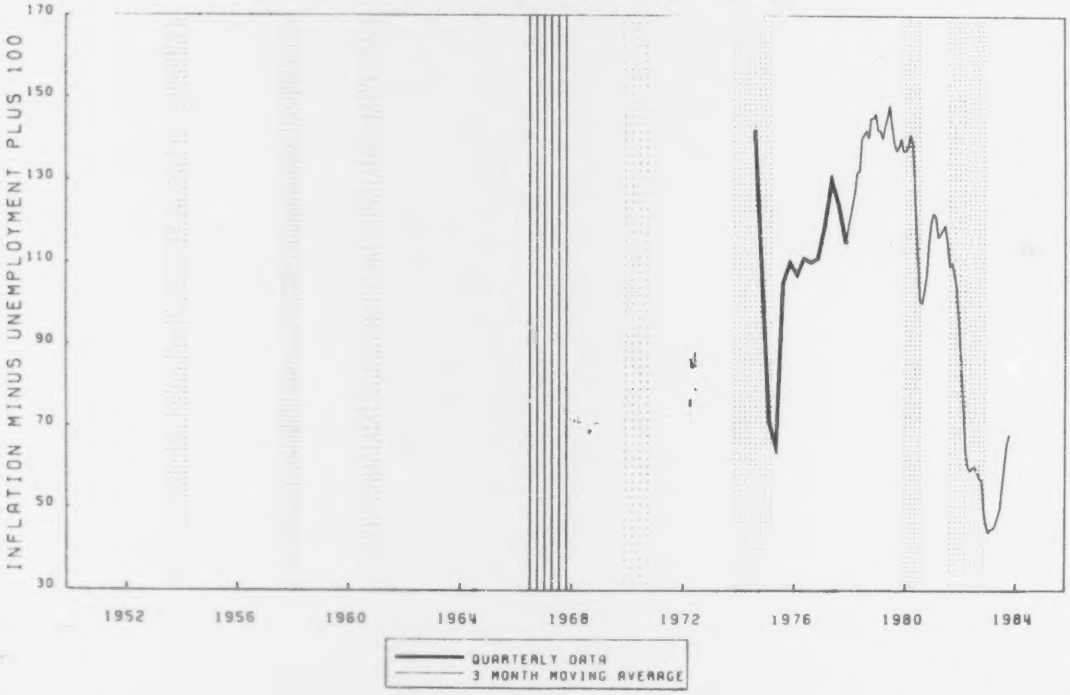


CHART 24 - HISTORICAL SERIES
UNEMPLOYMENT OR INFLATION MORE SERIOUS



## TABLE 24

## UNEMPLOYMENT OR INFLATION MORE SERIOUS ECONOMIC HARDSHIP

| | Oct. 1982 | Nov. 1982 | Dec. 1982 | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| UNEMPLOYMENT | 67% | 76% | 72% | 74% | 73% | 73% | 73% | 71% | 70% | 63% | 65% | 62% | 61% |
| BOTH EQUALLY SERIOUS | 11 | 7 | 9 | 5 | 8 | 8 | 6 | 6 | 7 | 6 | 5 | 8 | 5 |
| INFLATION | 20 | 16 | 18 | 19 | 18 | 18 | 20 | 22 | 22 | 29 | 29 | 29 | 33 |
| DK,NA | 2 | 1 | 1 | 2 | 1 | 1 | 1 | 1 | 1 | 2 | 1 | 1 | 1 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 687 | 682 | 682 | 682 | 709 | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 |

The question was: "Which of the two problems--unemployment or inflation--do you think will cause the more serious economic hardship for people during the next year or so?"

CHART 25 - RECENT CHANGES
OPINIONS ABOUT THE GOVERNMENT'S ECONOMIC POLICY

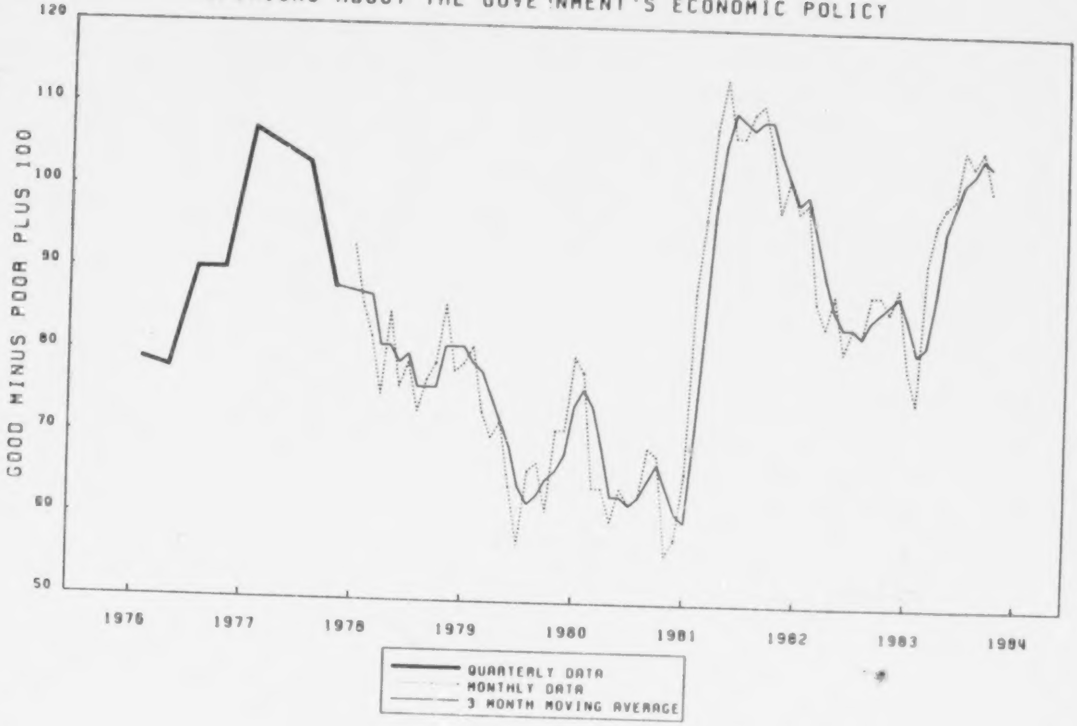
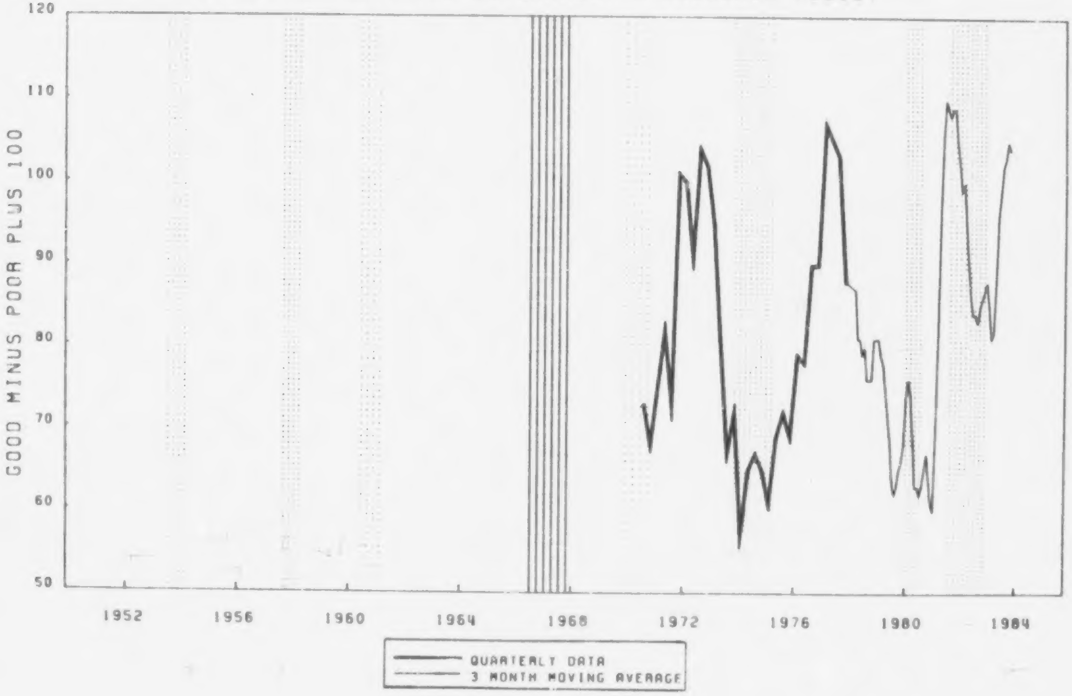


CHART 25 - HISTORICAL SERIES
OPINIONS ABOUT THE GOVERNMENT'S ECONOMIC POLICY



# TABLE 25

## OPINIONS ABOUT THE GOVERNMENT'S ECONOMIC POLICY

| | Oct. 1982 | Nov. 1982 | Dec. 1982 | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| A GOOD JOB | 21% | 19% | 19% | 16% | 16% | 21% | 21% | 20% | 23% | 27% | 27% | 27% | 25% |
| ONLY FAIR | 41 | 45 | 47 | 45 | 40 | 48 | 53 | 57 | 52 | 51 | 48 | 50 | 50 |
| A POOR JOB | 33 | 33 | 30 | 37 | 41 | 29 | 24 | 21 | 23 | 21 | 23 | 21 | 24 |
| DK,NA | 5 | 3 | 4 | 2 | 3 | 2 | 2 | 2 | 2 | 1 | 2 | 2 | 1 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 687 | 682 | 682 | 682 | 709 | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 |

The question was: "As to the economic policy of the government--I mean steps taken to fight inflation or unemployment--would you say the government is doing a good job, only fair, or a poor job?"

CHART 26 - RECENT CHANGES
BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS

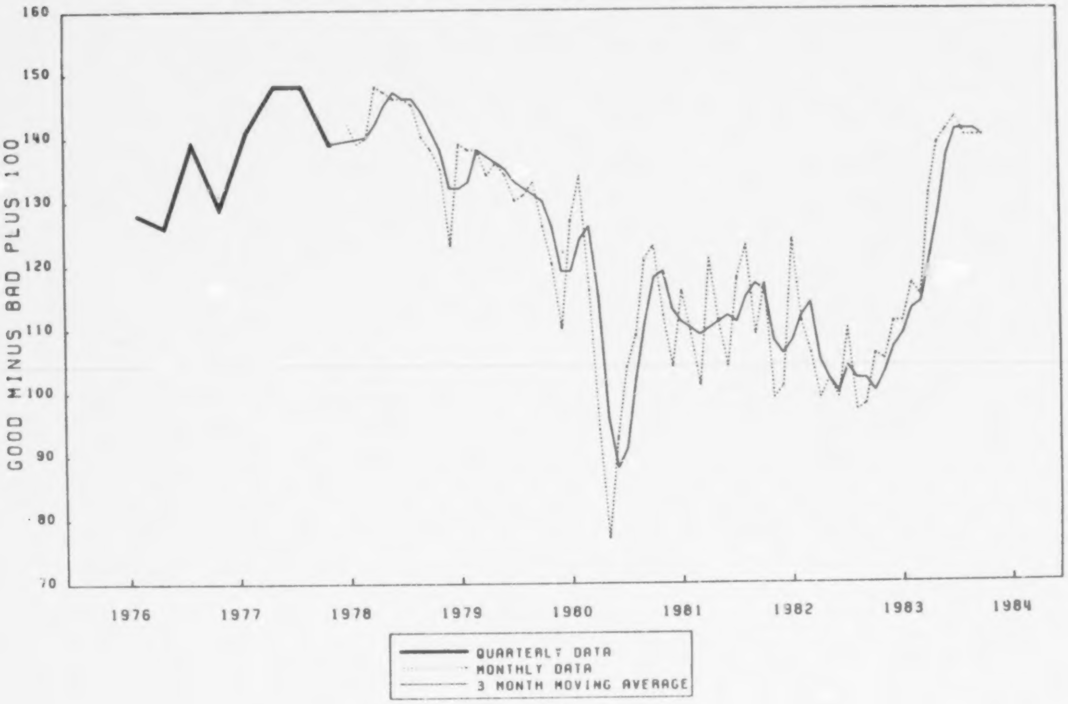
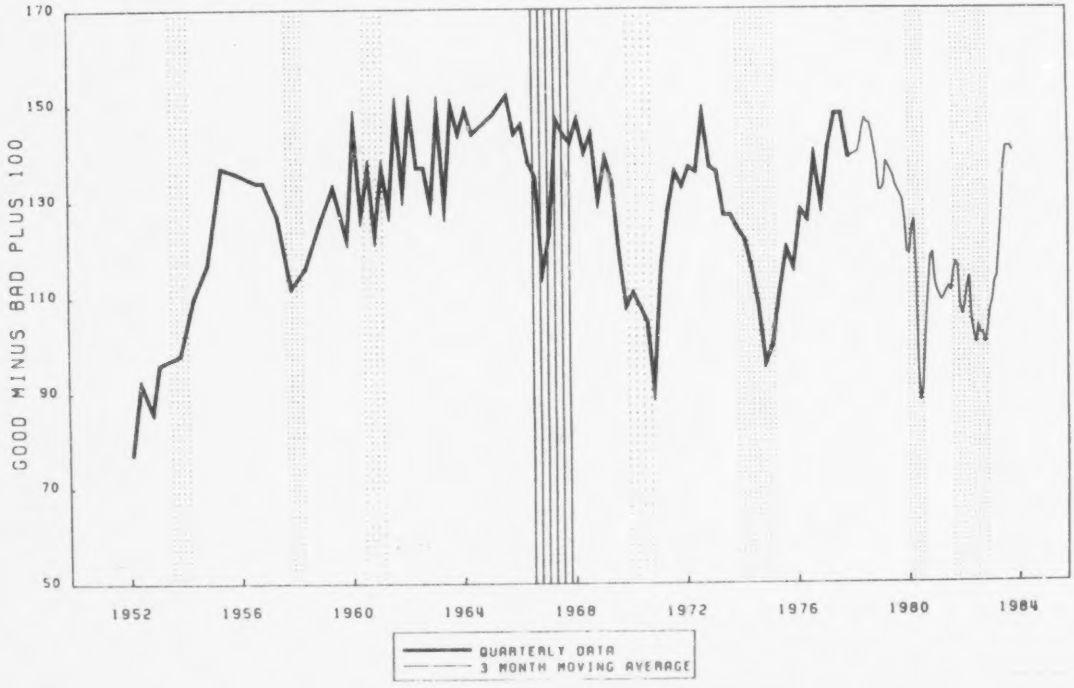


CHART 26 - HISTORICAL SERIES
BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS



# TABLE 26

## BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS

| | Oct. 1982 | Nov. 1982 | Dec. 1982 | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| GOOD TIME TO BUY | 46% | 47% | 50% | 51% | 54% | 53% | 61% | 67% | 66% | 67% | 64% | 66% | 65% |
| UNCERTAIN, DEPENDS | 14 | 11 | 11 | 9 | 9 | 9 | 9 | 5 | 9 | 9 | 12 | 8 | 10 |
| BAD TIME TO BUY | 40 | 42 | 39 | 40 | 37 | 38 | 30 | 28 | 25 | 24 | 24 | 26 | 25 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 687 | 682 | 682 | 682 | 709 | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 |

The question was: "About the big things people buy for their homes--such as furniture, a refrigerator, stove, television, and things like that. Generally speaking, do you think now is a good or a bad time for people to buy major household items?"

CHART 27A - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR DURABLES

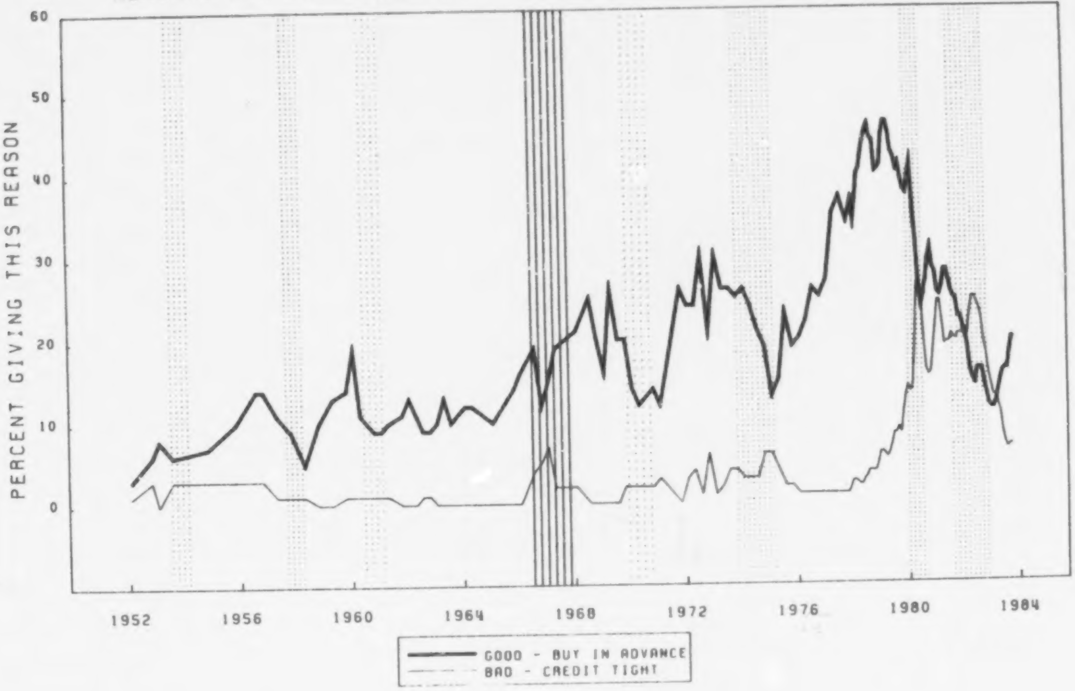
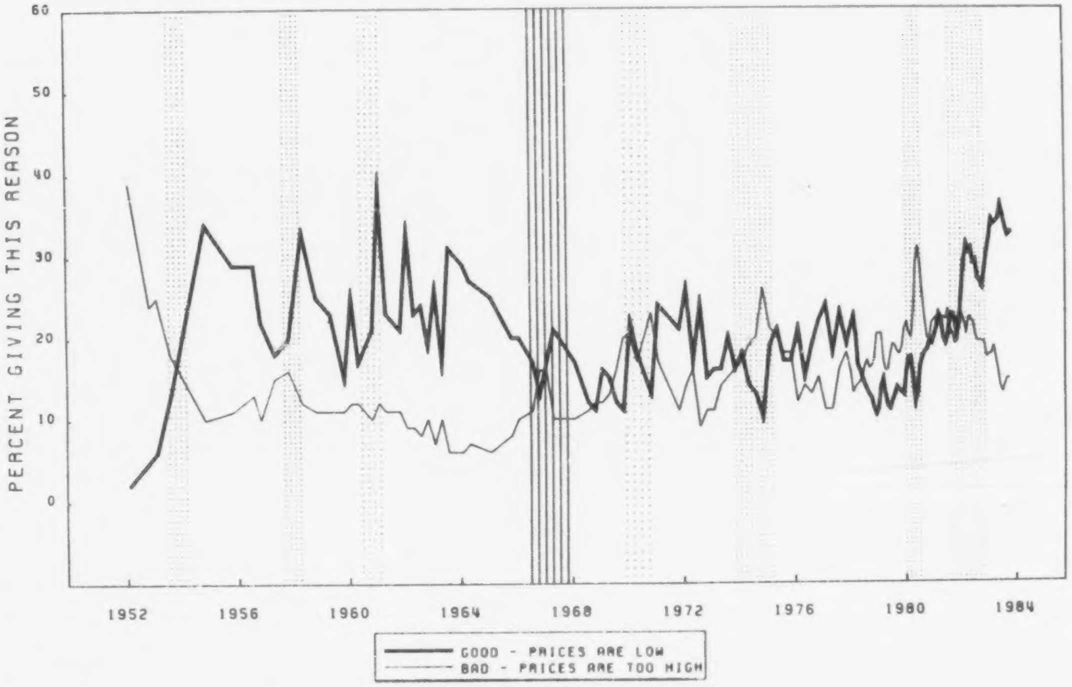


CHART 27B - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR DURABLES



## TABLE 27

### SELECTED REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS +

| | Oct. 1982 | Nov. 1982 | Dec. 1982 | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| GOOD TIME TO BUY: | | | | | | | | | | | | | |
| Prices are low; good buys available | 28% | 31% | 32% | 33% | 38% | 30% | 36% | 37% | 35% | 32% | 33% | 32% | 33% |
| Prices won't come down; are going higher | 14 | 11 | 10 | 13 | 11 | 12 | 15 | 17 | 15 | 16 | 17 | 21 | 21 |
| Interest rates low; credit is easy | 5 | 5 | 8 | 7 | 8 | 12 | 14 | 13 | 16 | 13 | 12 | 12 | 7 |
| BAD TIME TO BUY: | | | | | | | | | | | | | |
| Prices are high | 18 | 18 | 16 | 19 | 18 | 19 | 16 | 12 | 13 | 14 | 15 | 15 | 14 |
| Interest rates are high; credit is tight | 16 | 17 | 13 | 12 | 13 | 13 | 11 | 8 | 6 | 7 | 6 | 7 | 7 |
| Lack of purchasing power | 21 | 24 | 21 | 22 | 16 | 18 | 15 | 16 | 12 | 9 | 11 | 11 | 12 |

Responses to the query: "Why do you say so?" following the question on Table 26.

+ : May add to more than 100% due to multiple mentions.

CHART 28 - RECENT CHANGES
BUYING CONDITIONS FOR HOUSES

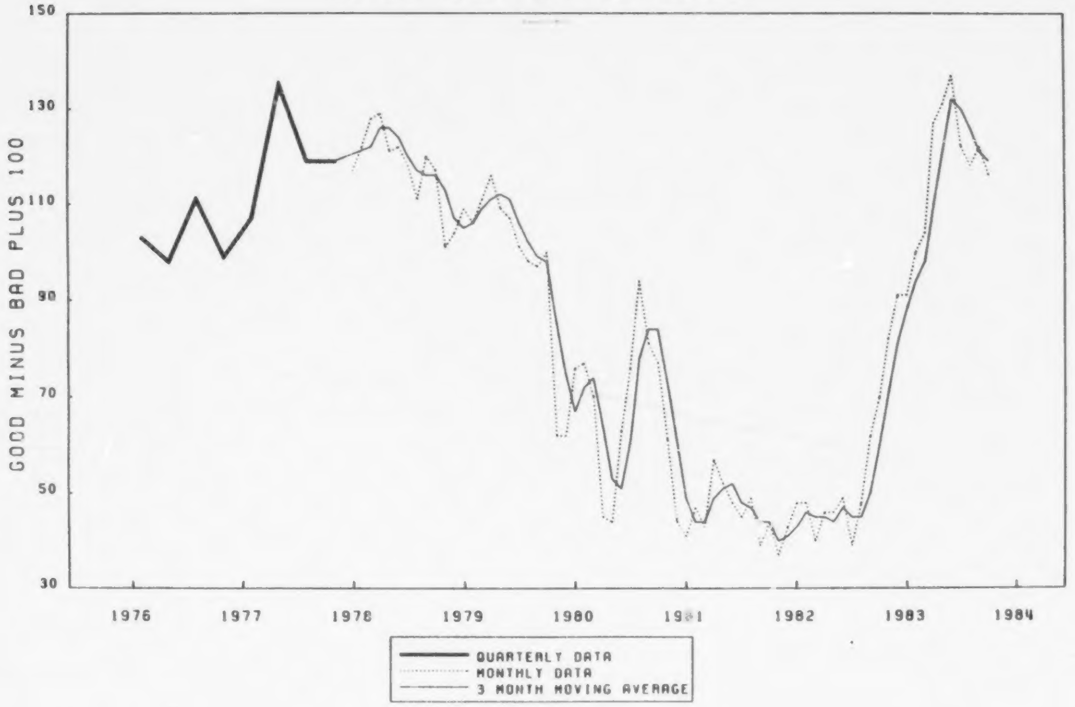
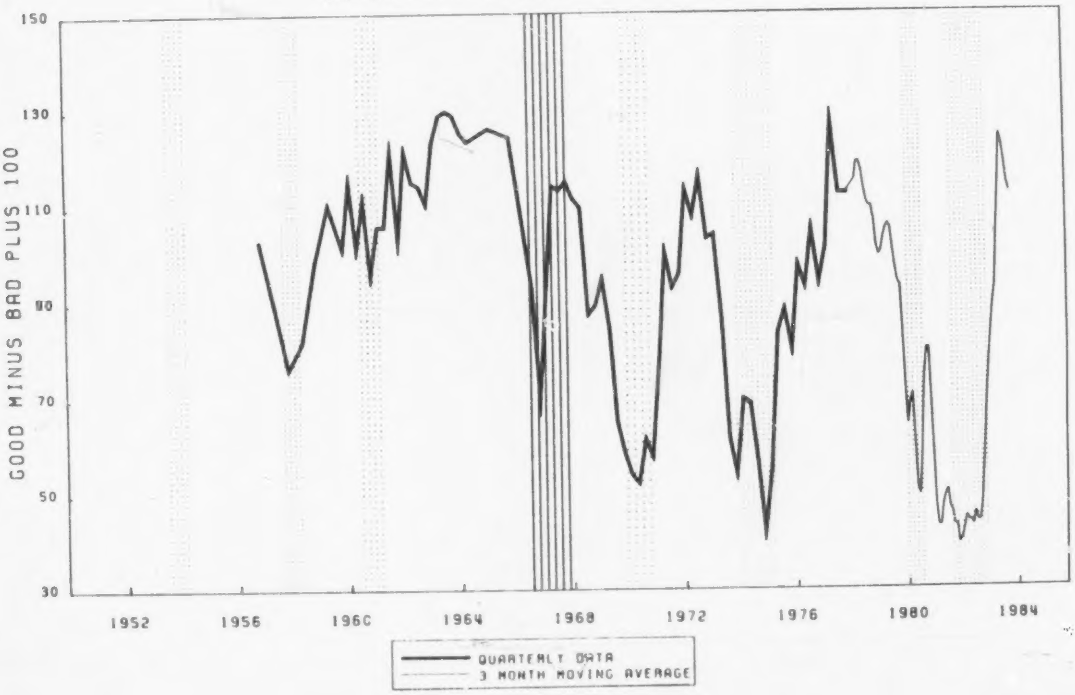


CHART 28 - HISTORICAL SERIES
BUYING CONDITIONS FOR HOUSES



## TABLE 28

## BUYING CONDITIONS FOR HOUSES

| | Oct. 1982 | Nov. 1982 | Dec. 1982 | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| GOOD TIME TO BUY | 32% | 38% | 44% | 44% | 49% | 51% | 61% | 64% | 66% | 59% | 57% | 59% | 55% |
| UNCERTAIN, DEPENDS | 6 | 6 | 3 | 3 | 2 | 2 | 5 | 3 | 5 | 4 | 4 | 4 | 6 |
| BAD TIME TO BUY | 62 | 56 | 53 | 53 | 49 | 47 | 34 | 33 | 29 | 37 | 39 | 37 | 39 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 687 | 682 | 682 | 682 | 709 | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 |

The question was: "Generally speaking, do you think now is a good time or a bad time to buy a house?"

CHART 29A - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR HOUSES

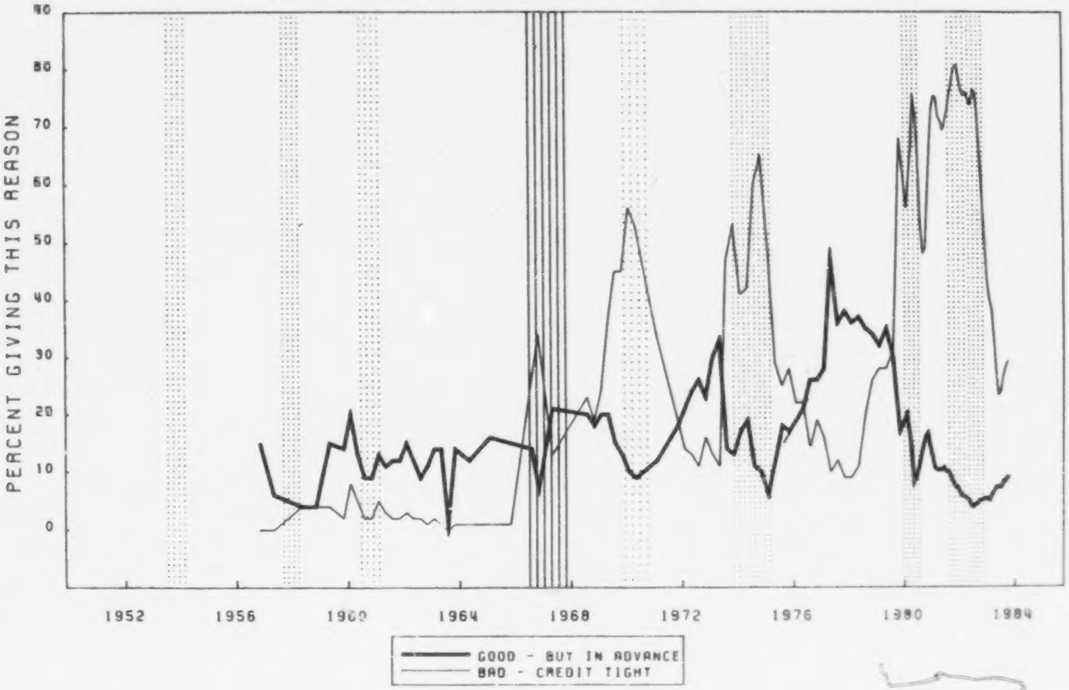
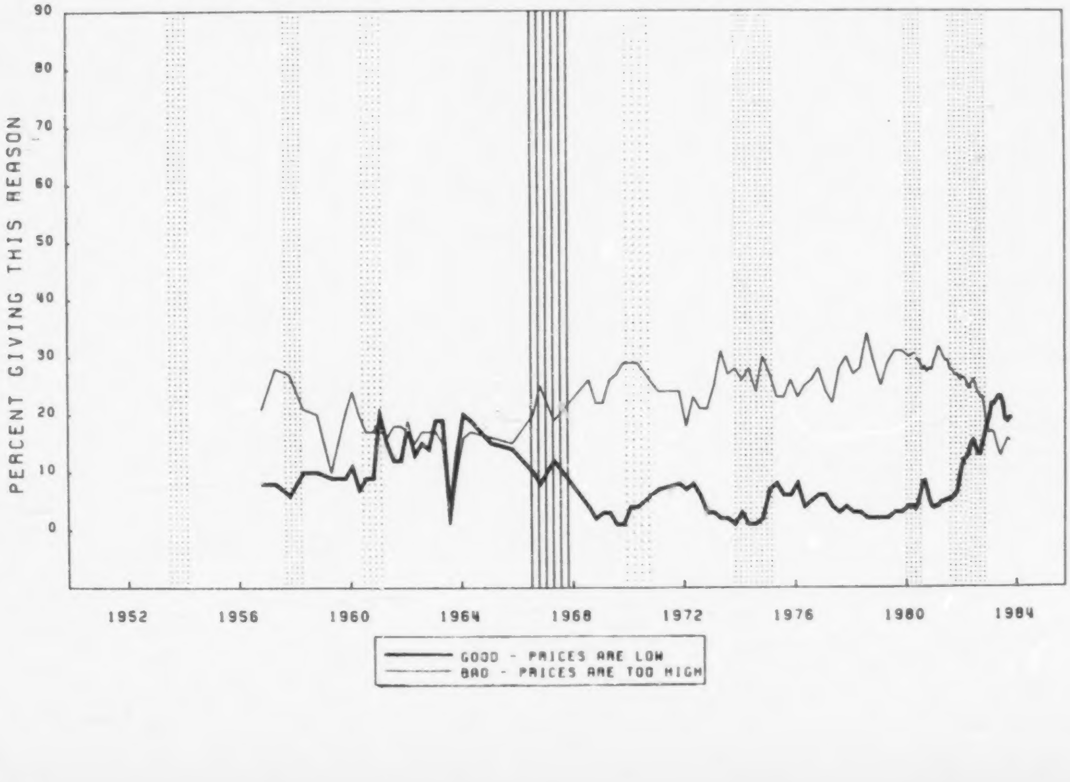


CHART 29B - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR HOUSES



# TABLE 29

## SELECTED REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR HOUSES +

| | Oct. 1982 | Nov. 1982 | Dec. 1982 | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| GOOD TIME TO BUY: | | | | | | | | | | | | | |
| Prices are low; good buys available | 17% | 17% | 20% | 21% | 24% | 20% | 24% | 25% | 20% | 20% | 17% | 19% | 22% |
| Prices won't come down; are going higher | 5 | 6 | 5 | 5 | 5 | 8 | 7 | 7 | 8 | 7 | 10 | 8 | 9 |
| Interest rates low; credit is easy | 23 | 30 | 35 | 37 | 40 | 44 | 54 | 57 | 61 | 49 | 44 | 47 | 38 |
| Good investment | 2 | 4 | 6 | 4 | 4 | 3 | 5 | 4 | 7 | 5 | 8 | 6 | 8 |
| BAD TIME TO BUY: | | | | | | | | | | | | | |
| Prices are high | 21 | 16 | 17 | 17 | 17 | 16 | 13 | 12 | 13 | 17 | 14 | 16 | 16 |
| Interest rates are high; credit is tight | 60 | 49 | 40 | 41 | 39 | 35 | 24 | 23 | 23 | 26 | 31 | 28 | 29 |
| Lack of purchasing power | 23 | 23 | 23 | 24 | 20 | 21 | 14 | 16 | 11 | 12 | 14 | 14 | 15 |

Responses to the query: "Why do you say so?" following the question on Table 28.

+ : May add to more than 100% due to multiple mentions.

CHART 30 - RECENT CHANGES
BUYING CONDITIONS FOR CARS

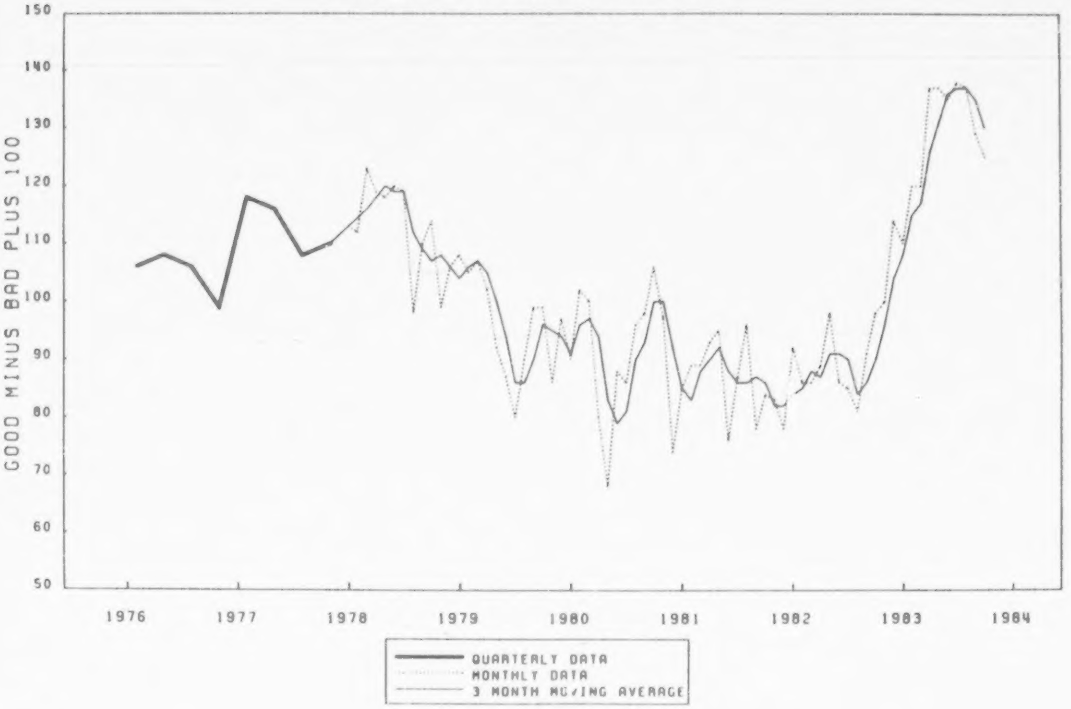
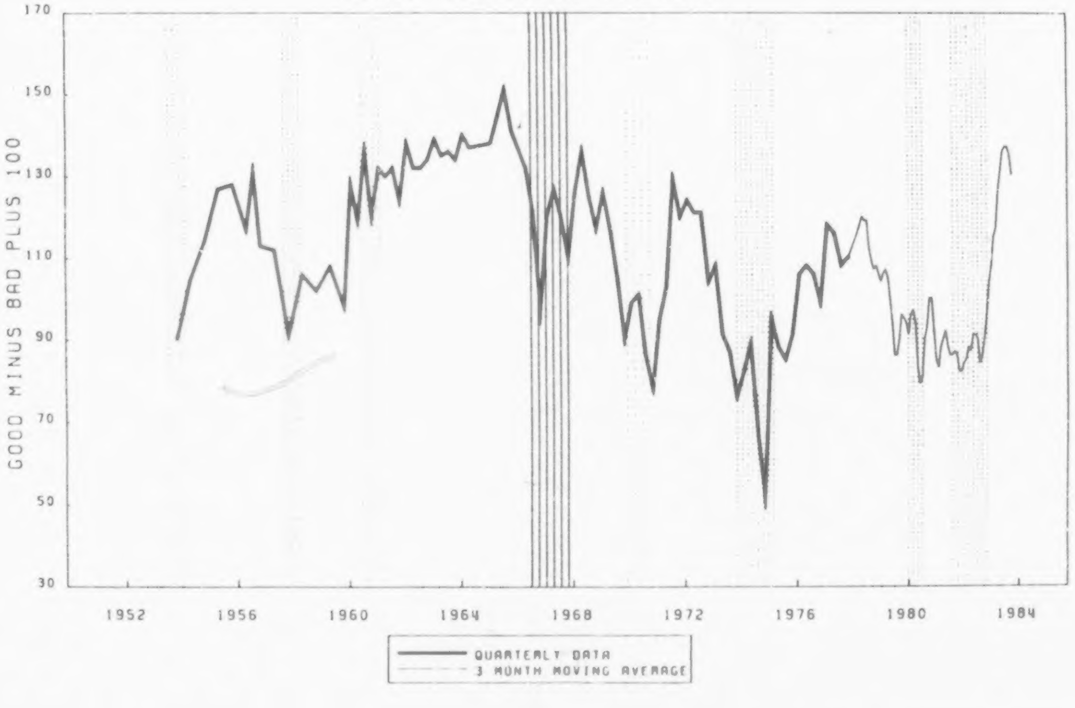


CHART 30 - HISTORICAL SERIES
BUYING CONDITIONS FOR CARS



## TABLE 30

## BUYING CONDITIONS FOR CARS

| | Oct. 1982 | Nov. 1982 | Dec. 1982 | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| GOOD TIME TO BUY | 44% | 46% | 53% | 51% | 57% | 56% | 66% | 66% | 63% | 65% | 65% | 61% | 59% |
| UNCERTAIN; DEPENDS | 10 | 8 | 8 | 8 | 6 | 8 | 5 | 5 | 9 | 8 | 7 | 7 | 7 |
| BAD TIME TO BUY | 46 | 46 | 39 | 41 | 37 | 36 | 29 | 29 | 28 | 27 | 28 | 32 | 34 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 687 | 682 | 682 | 682 | 709 | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 |

The question was: "Speaking now of the automobile market--do you think the next 12 months or so will be a good time or a bad time to buy a car?"

CHART 31A - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR CARS

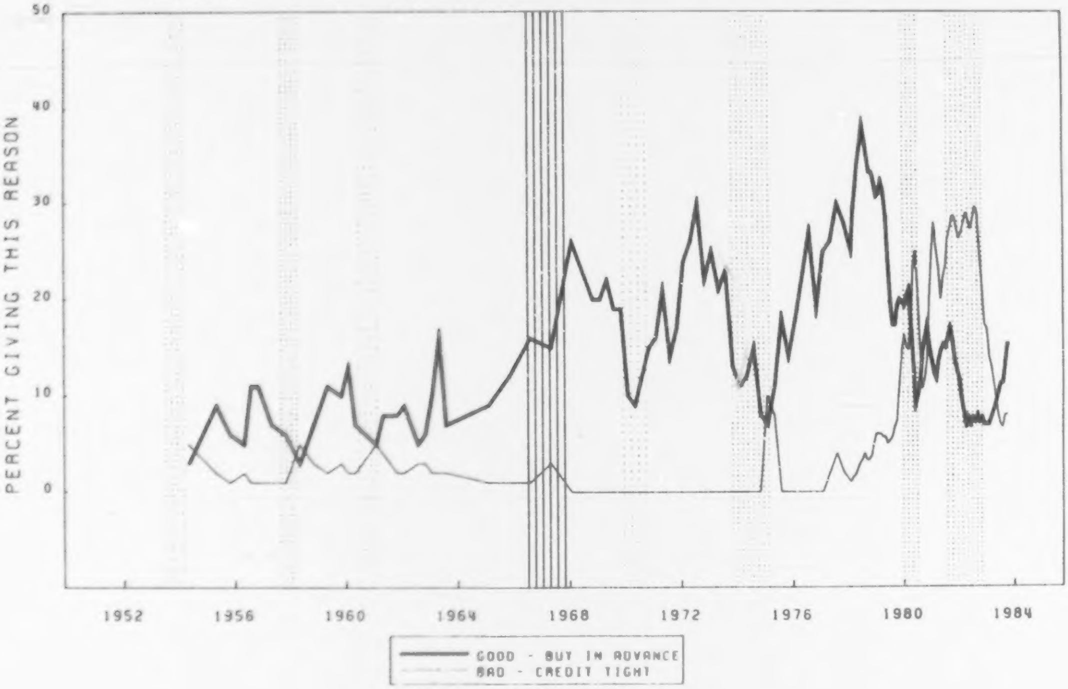
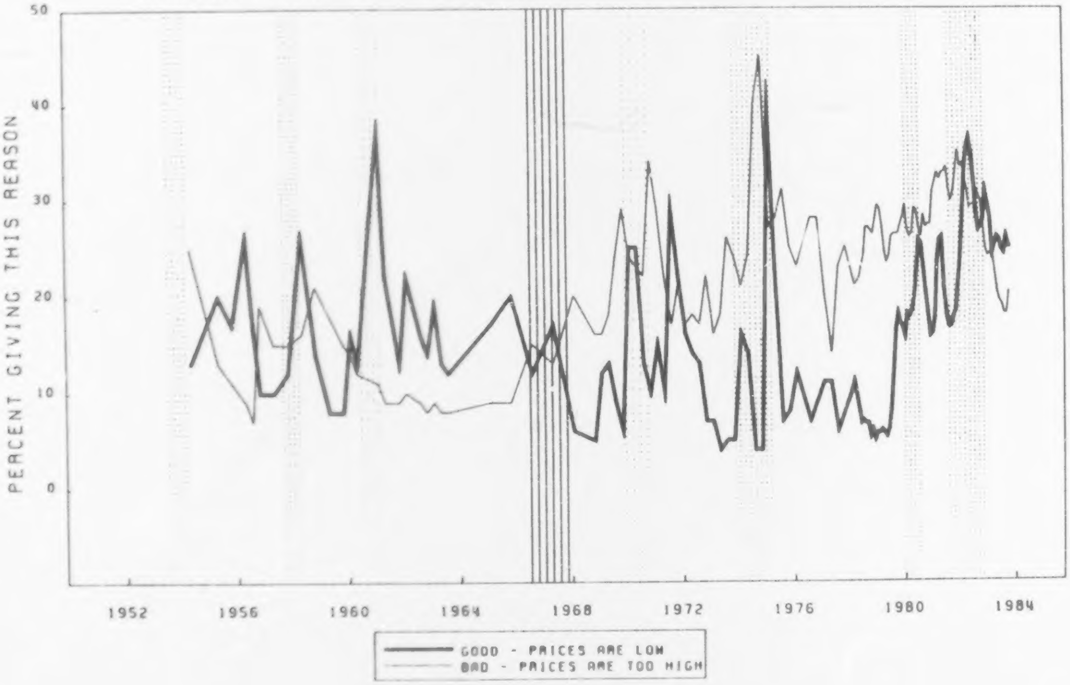


CHART 31B - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR CARS



## TABLE 31

## SELECTED REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR CARS +

| | Oct. 1982 | Nov. 1982 | Dec. 1982 | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| GOOD TIME TO BUY: | | | | | | | | | | | | | |
| Prices are low; good buys available | 29% | 28% | 35% | 25% | 24% | 24% | 28% | 26% | 23% | 25% | 25% | 28% | 22% |
| Prices won't come down; are going higher | 7 | 8 | 6 | 7 | 8 | 8 | 8 | 12 | 11 | 11 | 12 | 17 | 17 |
| Interest rates low; credit is easy | 11 | 20 | 27 | 29 | 35 | 34 | 40 | 40 | 40 | 37 | 33 | 28 | 19 |
| New fuel efficient models | 1 | 1 | 1 | 2 | 1 | 2 | 2 | * | 1 | 2 | 1 | 2 | 2 |
| BAD TIME TO BUY: | | | | | | | | | | | | | |
| Prices are high | 26 | 25 | 23 | 24 | 26 | 23 | 19 | 19 | 20 | 18 | 16 | 20 | 25 |
| Interest rates are high; credit is tight | 19 | 19 | 14 | 18 | 10 | 11 | 11 | 7 | 6 | 8 | 6 | 10 | 8 |
| Lack of purchasing power | 14 | 15 | 13 | 12 | 12 | 10 | 7 | 7 | 7 | 7 | 9 | 6 | 8 |
| Price of gas; shortages | * | 1 | 1 | 1 | * | * | * | 1 | 1 | * | 1 | * | * |
| Poor selection; quality | 7 | 7 | 7 | 6 | 5 | 5 | 5 | 5 | 6 | 5 | 4 | 4 | 6 |

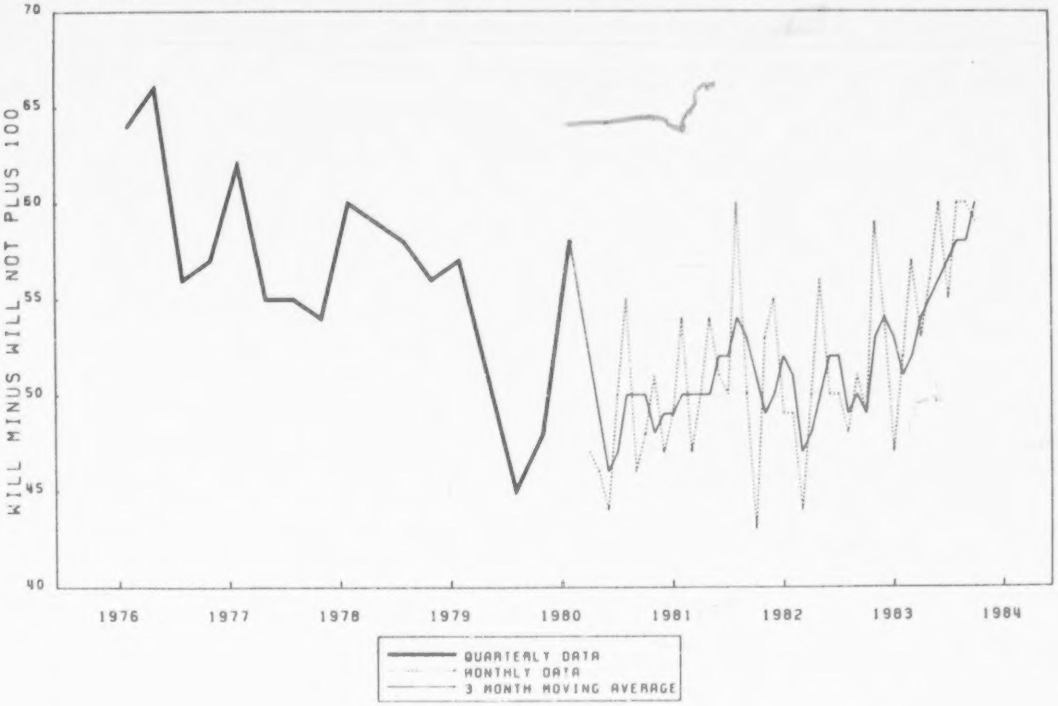
Responses to the query: "Why do you say so?" following the question on Table 30.

+ : May add to more than 100% due to multiple mentions.

* : Less than half of one percent.

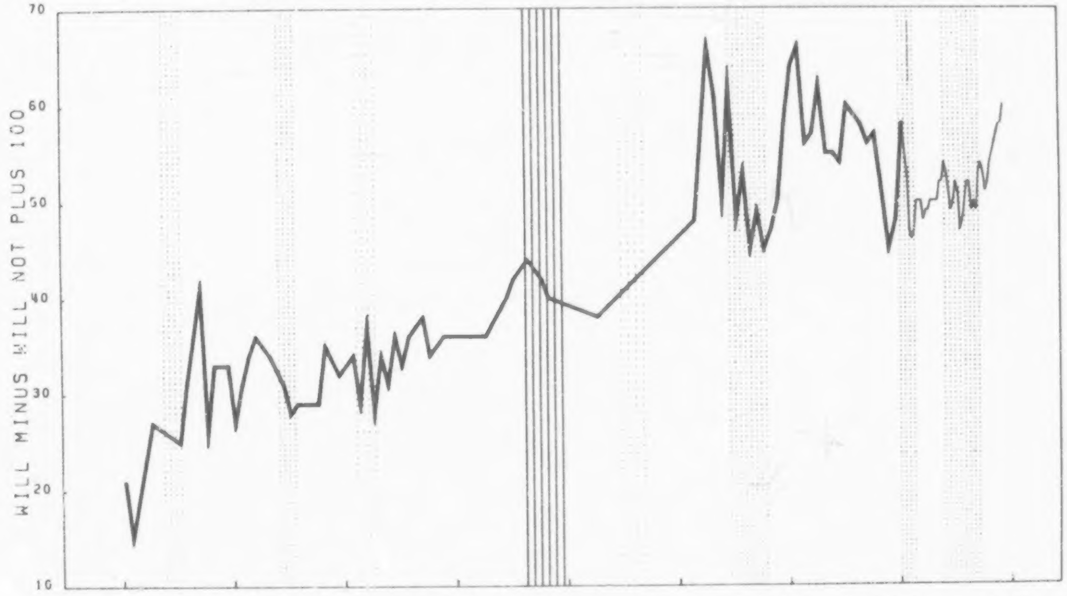
## CHART 32 - RECENT CHANGES

PLANS TO PURCHASE AN AUTOMOBILE DURING THE NEXT 12 MONTHS



## CHART 32 - HISTORICAL SERIES

PLANS TO PURCHASE AN AUTOMOBILE DURING THE NEXT 12 MONTHS



## TABLE 32

## PLANS TO PURCHASE AN AUTOMOBILE DURING THE NEXT 12 MONTHS

| | Oct. 1982 | Nov. 1982 | Dec. 1982 | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| PROBABLY WILL BUY | 16% | 21% | 20% | 15% | 17% | 20% | 17% | 17% | 22% | 18% | 21% | 21% | 21% |
| CHANCES ARE EVEN | 7 | 8 | 8 | 7 | 8 | 7 | 9 | 9 | 7 | 6 | 7 | 9 | 8 |
| PROBABLY WILL NOT BUY | 67 | 62 | 66 | 68 | 65 | 63 | 64 | 61 | 62 | 63 | 61 | 61 | 62 |
| DK,NA | 10 | 9 | 6 | 10 | 10 | 10 | 10 | 13 | 9 | 13 | 11 | 9 | 9 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 687 | 682 | 682 | 682 | 709 | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 |

The question was: "What do you think are the chances that you (or anyone else in your family living there) will buy or lease a car during the next 12 months--would you say you probably will, probably will not, or are the chances about even, or what?"

TABLE 33

CURRENT VEHICLE PURCHASE INTENTIONS

| | Oct. 1982 | Nov. 1982 | Dec. 1982 | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| PROPORTION WITH CURRENT PURCHASE INTENTIONS: | 23% | 29% | 28% | 22% | 25% | 27% | 26% | 26% | 29% | 24% | 28% | 30% | 29% |
| PURCHASE TYPE: | | | | | | | | | | | | | |
| Buy new | 11 | 11 | 15 | 10 | 12 | 13 | 14 | 12 | 13 | 11 | 15 | 13 | 17 |
| Buy used | 11 | 15 | 10 | 10 | 11 | 12 | 11 | 11 | 13 | 11 | 11 | 14 | 9 |
| Lease | 1 | 2 | 2 | 1 | 1 | 1 | * | 2 | 2 | 1 | 1 | 1 | 2 |
| DK,NA | * | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 2 | 1 |
| PURCHASE TIMING: | | | | | | | | | | | | | |
| Next 3 months | 4 | 4 | 2 | 3 | 3 | 1 | 6 | 2 | 1 | 4 | 5 | 2 | 6 |
| Next 4-6 months | 5 | 6 | 6 | 6 | 6 | 7 | 6 | 7 | 10 | 6 | 4 | 7 | 8 |
| Next 7-9 months | 5 | 8 | 6 | 4 | 7 | 9 | 7 | 8 | 8 | 3 | 5 | 5 | 8 |
| 10 months or more | 5 | 7 | 7 | 4 | 5 | 6 | 2 | 4 | 4 | 6 | 7 | 9 | 4 |
| DK,NA | 4 | 4 | 7 | 5 | 4 | 4 | 5 | 5 | 6 | 5 | 7 | 7 | 3 |

If response was "PROBABLY WILL BUY" or "CHANCES ARE EVEN" in Table 32, then the questions were: "If you do buy or lease a car, would it be a new car, or a used car?" , "Would you buy or lease?" and "When do you think you might buy or lease a car?"

* : Less than half of one percent.

# TABLE 34

## FUTURE VEHICLE PURCHASE INTENTIONS

| | Oct. 1982 | Nov. 1982 | Dec. 1982 | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| PROPORTION WITH FUTURE PURCHASE INTENTIONS: | 67% | 62% | 66% | 68% | 65% | 63% | 64% | 61% | 62% | 63% | 61% | 61% | 62% |
| PURCHASE TYPE: | | | | | | | | | | | | | |
| Would buy new | 39 | 34 | 40 | 36 | 34 | 31 | 38 | 36 | 37 | 37 | 33 | 33 | 33 |
| Would buy used | 27 | 26 | 24 | 30 | 29 | 31 | 25 | 24 | 24 | 24 | 27 | 27 | 29 |
| DK,NA | 1 | 2 | 2 | 2 | 2 | 1 | 1 | 1 | 1 | 2 | 1 | 1 | * |
| PURCHASE TIMING: | | | | | | | | | | | | | |
| Less than 2 years | 5 | 7 | 7 | 8 | 8 | 6 | 8 | 7 | 6 | 8 | 6 | 8 | 6 |
| 2 years | 23 | 22 | 22 | 23 | 19 | 20 | 22 | 24 | 20 | 23 | 21 | 22 | 20 |
| 3 years | 11 | 8 | 10 | 10 | 10 | 11 | 12 | 10 | 10 | 9 | 9 | 10 | 11 |
| 4 years or more | 19 | 18 | 17 | 21 | 20 | 21 | 16 | 18 | 21 | 18 | 18 | 15 | 19 |
| Indefinite | 3 | 2 | 4 | 2 | 2 | 1 | 2 | 1 | 1 | 2 | 2 | 2 | * |
| DK,NA | 6 | 5 | 6 | 4 | 6 | 4 | 4 | 1 | 4 | 3 | 5 | 4 | 6 |

If response was "PROBABLY WILL NOT BUY" in Table 32, then the questions were: "If you were to buy a car, would it be a new car or a used car? and "How long do you think it may be before will buy or lease a car?"

* : Less than half of one percent.

# EXPLANATORY CHARTS

CHART 1 - RECENT CHANGES
THE INDEX OF CONSUMER SENTIMENT

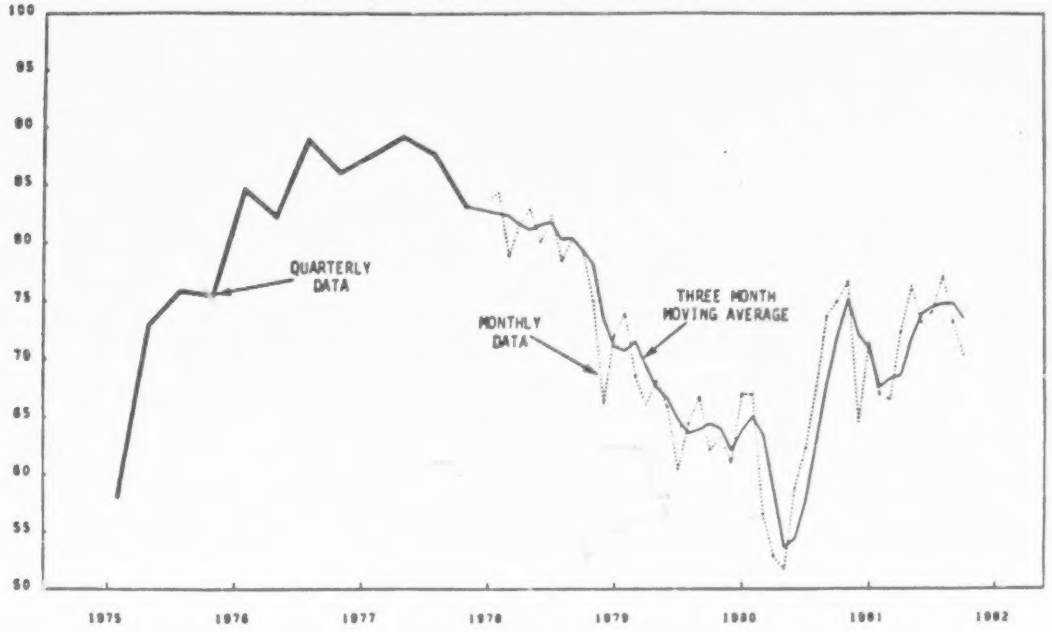
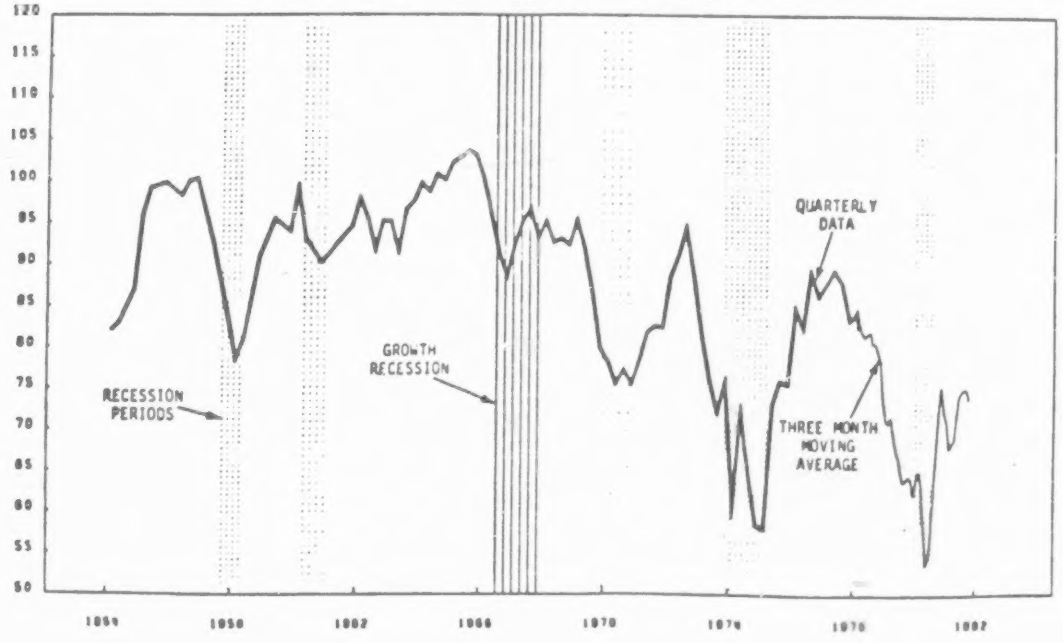


CHART 1 - HISTORICAL SERIES
THE INDEX OF CONSUMER SENTIMENT



## DESCRIPTION OF CHART LINES

QUARTERLY DATA: Data collected by surveys conducted at three-month intervals before 1978.

MONTHLY DATA: Data collected by surveys conducted each month since January of 1978.

THREE-MONTH MOVING AVERAGE: Each point plotted represents the average of the three monthly observations ending at the date plotted.

## TIME SCALE LABELS

Each tic mark on the time scale represents the month of January for the indicated year.

## NATIONAL BUREAU OF ECONOMIC RESEARCH, REFERENCE DATES FOR RECESSIONS

DATES:
November 1948 - October 1949
July 1953 - May 1954
August 1957 - April 1958
April 1960 - February 1961
June 1966 - November 1967*
December 1969 - November 1970
November 1973 - March 1975
January 1980 - July 1980
July 1981 - November 1982

Notes:

RECESSION PERIOD: Reduction in the national output of goods and services, generally lasting at least two quarters.

*GROWTH RECESSION: Retardation in the rate of growth of output and employment (usually followed by a recession and always the initial stage of a recession).

## APPROXIMATE SAMPLING ERRORS[a] OF SURVEY FINDINGS

(In percentages by size of sample or subgroup)

| Reported Percentages | Number of Interviews | | |
|---|---|---|---|
| | 700[b] | 1,400[c] | 2,100[d] |
| 50 | 4.2 | 3.2 | 2.8 |
| 30 or 70 | 3.8 | 2.9 | 2.5 |
| 20 or 80 | 3.4 | 2.6 | 2.2 |
| 10 or 90 | 2.5 | 1.9 | 1.6 |
| 5 or 95 | 1.8 | 1.4 | 1.2 |

---

[a] The figures in this table represent two standard errors. Hence, for most items the chances are 95 in 100 that the value being estimated lies within a range equal to the reported percentages, plus or minus the sampling error.

[b] Average size of monthly surveys.

[c] Average size of two monthly surveys.

[d] Average size of three monthly surveys (one quarter).

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# SURVEYS OF CONSUMER ATTITUDES

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December 2, 1983

NOVEMBER 1983 MONTHLY REPORT

# Surveys of Consumer Attitudes

Richard T. Curtin, *Director*

## OPTIMISM RIDES HIGH PLATEAU

** In the November 1983 survey, the Index of Consumer Sentiment was 91.1, about as much above the 89.3 recorded in October as below the cyclical peak of 93.9 recorded in July. Since April 1983, the Index has remained in the narrow range of 89.1 to 93.9, with the November figure nearly identical to

** Among families with incomes over $25,000, the Index fell to 98.8 in November, from 101.9 in October and the cyclical peak of 106.5 in July.

** Increases in interest rates were expected by 33 percent of all families in the November 1983 survey, down significantly from the 44 percent recorded one month earlier. Rather than renewed declines, the most prevalent expectation was that interest rates would remain unchanged at current levels during the year ahead.

** Overall buying attitudes remained at very favorable levels in the November 1983 survey, despite small declines from their mid-year peaks. Small declines in favorable attitudes toward buying conditions for houses and cars resulted from fewer mentions of the availability of lower interest rates, and fewer references to price discounts.

** The personal financial situation of American families continued to strengthen in the November 1983 survey. The proportion of families that reported that their financial situation had worsened during the past year fell to 27 percent in November, the lowest level recorded in five years.

** Evaluations of business conditions have declined somewhat from their mid year peaks, but on balance remained at very favorable levels. Among all families in the November 1983 survey, 63 percent reported that the economy had improved during the past year (66 percent in October), 46 percent expected the economy to improve during the year ahead (55 percent in May), and 59 percent expected these cumulative improvements to lead to good times financially in the economy as a whole (65 percent in May).

* * *

Following the rapid improvement in early 1983, a broad range of consumer attitudes and expectations have receded slightly from the mid-year peak. This reflects a slowing in the expected pace of improvement in the economy as the recovery period lengthens. Overall, these small declines from peak levels do not detract from the otherwise very favorable levels of consumer attitudes and expectations. The rapid improvement in consumer optimism earlier in the year together with its subsequent maintenance at favorable levels points toward a continued robust growth in consumer sales through mid-1984.

Monitoring Economic Change Program
Institute for Social Research • P.O. Box 1248 • Ann Arbor, Michigan 48106 • (313) 763-5224

## Interest Rate Concerns Ease

Significantly fewer respondents expected interest rate increases during the year ahead in the November 1983 survey (33 percent) than either one month earlier (43 percent) or three months earlier (47 percent). While this marks a significant decline in the proportion of families that expected increases, interest rate increases were still expected more frequently in November 1983 than one year earlier (25 percent). Although concerns over increases have eased in recent months, the proportion that expected interest rate declines has not grown by a similar amount. In the November 1983 survey, 24 percent of all families expected interest rates to decline during the year ahead, just above the 21 percent recorded one month earlier, but substantially below the 45 percent recorded in November 1982 In contrast, the most prevalent expectation in the November 1983 survey was that interest rates would remain largely unchanged at current levels during the year ahead, reported by 40 percent of all families, up from 33 percent one month earlier, and 26 percent one year earlier.

## Favorable Buying Attitudes Maintained

Attitudes toward buying conditions for cars, houses, and large household durables have all remained at very favorable levels in the November 1983 survey. The majority of all families continued to rate buying conditions favorably in each market studied, although the proportions holding favorable attitudes have declined somewhat since mid-year.

Favorable attitudes toward buying conditions for large household durables were held by 64 percent of all families in the November 1983 survey, just below the cyclical peak of 67 percent recorded in both the May and July 1983 surveys. These very favorable buying attitudes toward large household durables are primarily based on the widespread perception of sales and price discounts--in the November 1983 survey more than twice as many families mentioned the availability of lower prices than cited their aversion to high prices for large household durables (34 versus 15 percent).

Favorable attitudes toward buying conditions for cars were held by 59 percent of all families in the November 1983 survey, unchanged from October, and just below the all-time record level of 66 percent recorded in April and May 1983. Since mid-1983, mentions of the availability of lower interest rates on automobile loans has fallen from 40 to 22 percent, while references to high interest rates have risen from 7 to only 9 percent. Importantly, references to the availability of lower prices, rebates and other discounts on vehicle purchases fell to 21 percent in the November 1983 survey, the lowest level recorded since November 1981. Moreover, more families cited their aversion to high car prices rather than the appeal of lower prices in the November 1983 survey (21 versus 23 percent). Specific vehicle purchase intentions have increased substantially during the past year. Among all families, 17 percent reported in both the October and November 1983 surveys that they expected to purchase a new vehicle during the next 12 months, an all-time record level.

Favorable attitudes toward market conditions for houses were held by 53 percent of all families in the November 1983 survey, down from the cyclical peak of 66 percent recorded in June. The decline in favorable house buying attitudes has been primarily due to less favorable perceptions of mortgage interest rates: from June to November 1983, the proportion that mentioned the availability of lower mortgage rates fell from 61 to 40 percent, while the proportion that referred to high mortgage interest rates rose from 23 to 30 percent. Moreover, the November 1983 survey was the first month in the last 12 in which the proportion of families that mentioned the availability of lower housing prices did not exceed the proportion that referred to high prices. In the November 1983 survey, an equal proportion of families refer to low as to high housing prices--16 percent.

## Personal Finances Strengthen

The November 1983 survey marked the eighth consecutive month that American families reported an overall improvement in their personal financial situation. Among all families, 38 percent reported an improved personal financial situation in the November 1983 survey, up from 31 percent in November 1982. The proportion of families that reported a worsening financial situation was 27 percent in November 1983, substantially below the 46 percent recorded a year earlier, and the lowest level recorded in more than five years. When asked to explain how their financial situation had changed during the past year, respondents somewhat more frequently reported family income increases in the November 1983 survey (31 percent, up from 29 percent), and much less frequently mentioned family income declines (15 percent, down from 25 percent in November 1982). In addition, fewer families complained of declines in the purchasing power of their income due to inflation, 18 percent in the November 1983 survey, down from 26 percent a year earlier. The combined improvement in income and price trends led to the most favorable assessments of real income progress recorded during the past decade. Among all families, 22 percent reported that their family income had increased by more than prices during the past year, the highest proportion recorded since this question was introduced in 1973.

Families have also maintained very favorable expectations for improvement in their financial situation during the year ahead. Among all families in the November 1983 survey, 38 percent expected their financial situation to improve during the year ahead, compared with just 11 percent that expected deterioration. These expectations remain near the cyclical peak levels recorded six months earlier, when 43 percent of all families expected improvement in their financial situation. Fewer families expected their nominal income to decline or remain unchanged in November 1983 compared with a year earlier (34 percent, down from 41 percent). Among those families that expected income increases, the entire improvement compared with a year earlier came among families that expected income increases of 1-4% (12 percent, up from 6 percent), while the proportion of families that expected income increases of 5% or more fell to 44 percent from 47 percent one year earlier. When combined with lower price expectations, these modest improvements in nominal income expectations led consumers to hold the most favorable real income expectations recorded during the past decade. Among all families, two-thirds expected the rate of increase in their nominal incomes to exceed or keep pace with the annual rate of inflation in the November 1983 survey.

## Business Conditions

In the November 1983 survey, 63 percent of all families reported that the economy had improved during the past year, just below the all-time peak level of 66 percent recorded in the October 1983 survey. Perceptions of recent changes in the economy remained very favorable in the November 1983 survey, with twice as many families reporting favorable as unfavorable developments. News of increases in employment were reported by 22 percent of all families in November, up from just 6 percent one year earlier, while reports of increases in unemployment fell to 17 percent in November 1983, from 47 percent one year earlier. The unemployment rate was expected to continue to decline in the November 1983 survey, with more than twice as many families reporting that they expected declines rather than increases during the year ahead (35 versus 16 percent).

Overall prospects for the economy as a whole during the coming year remained at very favorable levels in the November 1983 survey. Among all families, 46 percent expected the economy to improve during the year ahead (just below the all-time peak of 55 percent recorded six months earlier) and 59 percent of all families expected these cumulative improvements to lead to good times financially in the economy as a whole (just below the cyclical peak of 65 percent recorded six months earlier).

Long term business expectations, although substantially improved over prior years, remained at relatively less favorable levels compared with short term business expectations. Among all families, 39 percent expected good times financially in the economy as a whole during the next five years, a somewhat smaller proportion than the 41 percent that expected the economy over the next five years or so to be marked by the resurgence of unemployment and inflation. Nonetheless, even with this unfavorable balance of opinion, these longer term business prospects were as favorable in 1983 as at the cyclical peaks recorded during the 1970s. At the cyclical peaks recorded during the mid-1950s and again during the mid-1960s, in comparison, as many as 47 percent of all families expected good times, while just 11 percent expected bad times financially in the economy as a whole during the following five years.

* * *

The November 1983 survey was conducted between November 1, 1983 and November 28, 1983, and included 701 completed interviews.

# TABLES AND CHARTS

## NOVEMBER 1983

The November 1983 survey is the 182nd in a series of surveys of consumer attitudes conducted by the Survey Research Center at The University of Michigan. Initiated in 1946, these periodic surveys provide regular assessments of consumer attitudes and expectations, and are used to evaluate economic trends and prospects. The surveys are designed to explore why changes in consumer attitudes and expectations occur, and how these changes influence consumer spending and saving decisions.

Two charts highlight recent changes and historical patterns for most questions. Recent change charts include quarterly data before 1978 and monthly data starting in January of 1978. Historical series charts show quarterly data before 1978 and 3 month moving averages since then. See the explanatory charts at the end of this book for a detailed description.

All surveys are subject to sampling error because not all members of the population are interviewed. Most results on the total sample for this monthly survey will differ by no more than 4 percentage points in either direction from what would have been obtained by using the same methods on the entire population. See the back of this book for sampling error information.

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| 19 | BUSINESS CONDITIONS EXPECTED DURING THE NEXT FIVE YEARS |
| 20 | EXPECTED CHANGE IN UNEMPLOYMENT |
| 21 | EXPECTED CHANGE IN INTEREST RATES |
| 22 | CHANGE IN PRICES DURING THE LAST 12 MONTHS |
| 23 | EXPECTED CHANGE IN PRICES DURING THE NEXT 12 MONTHS |
| 24 | UNEMPLOYMENT OR INFLATION MORE SERIOUS ECONOMIC HARDSHIP |
| 25 | OPINIONS ABOUT THE GOVERNMENT'S ECONOMIC POLICY |
| 26 | BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS |
| 27 | SELECTED REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS |
| 28 | BUYING CONDITIONS FOR HOUSES |
| 29 | SELECTED REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR HOUSES |
| 30 | BUYING CONDITIONS FOR CARS |
| 31 | SELECTED REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR CARS |
| 32 | PLANS TO PURCHASE AN AUTOMOBILE DURING THE NEXT 12 MONTHS |
| 33 | CURRENT VEHICLE PURCHASE INTENTIONS |
| 34 | FUTURE VEHICLE PURCHASE INTENTIONS |

CHART 1 - RECENT CHANGES
THE INDEX OF CONSUMER SENTIMENT

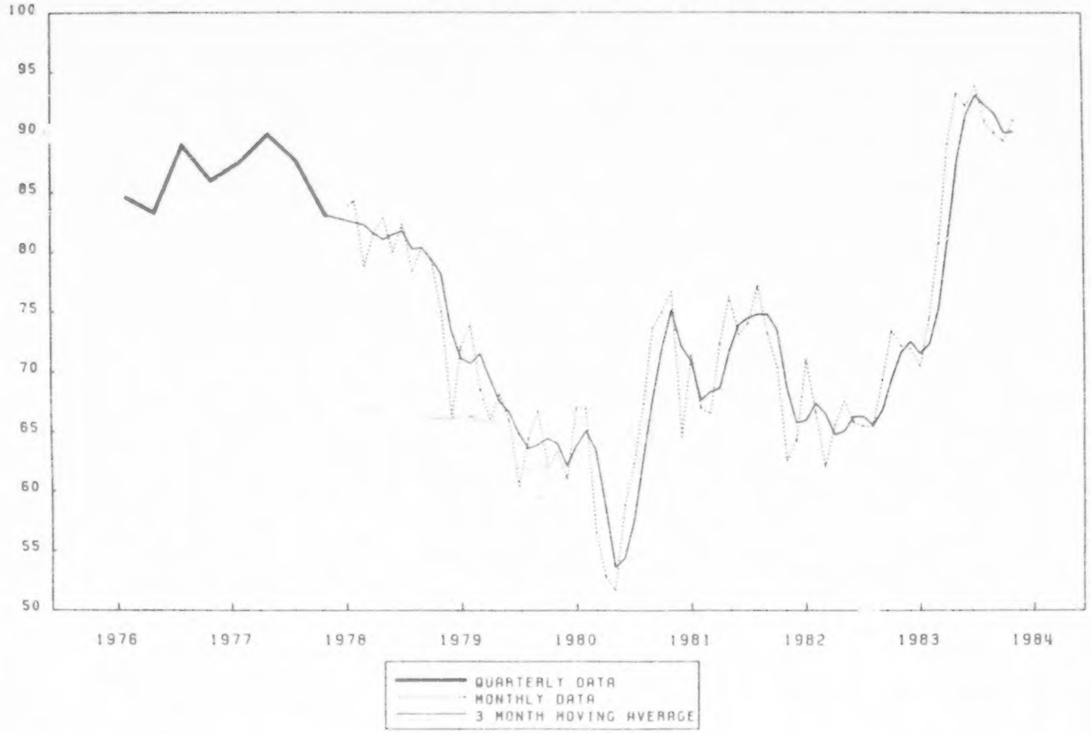


CHART 1 - HISTORICAL SERIES
THE INDEX OF CONSUMER SENTIMENT

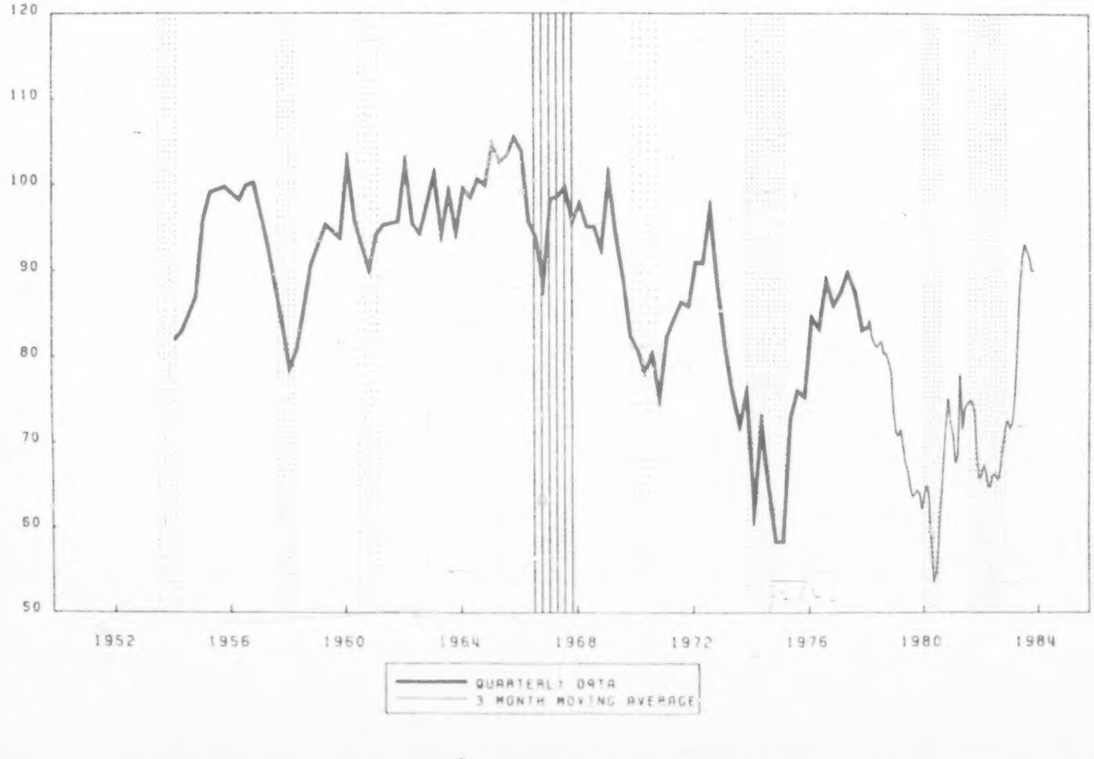


TABLE 1

THE INDEX OF CONSUMER SENTIMENT

| DATE OF SURVEY | All families | Families with incomes over $20,000 | Families with incomes over $25,000 |
|---|---|---|---|
| November 1980 | 76.7 | 82.7 | 87.5 |
| December 1980 | 64.5 | 66.9 | 68.6 |
| January 1981 | 71.4 | 74.8 | 77.1 |
| February 1981 | 66.9 | 74.2 | 77.5 |
| March 1981 | 66.5 | 72.1 | 73.7 |
| April 1981 | 72.4 | 77.1 | 78.0 |
| May 1981 | 76.3 | 80.8 | 85.0 |
| June 1981 | 73.1 | 81.2 | 82.9 |
| July 1981 | 74.1 | 80.8 | 82.1 |
| August 1981 | 77.2 | 82.7 | 85.0 |
| September 1981 | 73.1 | 75.2 | 73.3 |
| October 1981 | 70.3 | 74.5 | 77.9 |
| November 1981 | 62.5 | 67.2 | 66.3 |
| December 1981 | 64.3 | 71.0 | 71.1 |
| January 1982 | 71.0 | 77.9 | 77.8 |
| February 1982 | 66.5 | 71.5 | 72.8 |
| March 1982 | 62.0 | 67.0 | 67.9 |
| April 1982 | 65.5 | 71.5 | 73.2 |
| May 1982 | 67.5 | 72.7 | 74.8 |
| June 1982 | 65.7 | 71.4 | 72.9 |
| July 1982 | 65.4 | 68.9 | 69.2 |
| August 1982 | 65.4 | 71.0 | 73.6 |
| September 1982 | 69.3 | 78.4 | 81.1 |
| October 1982 | 73.4 | 77.5 | 80.9 |
| November 1982 | 72.1 | 79.3 | 81.1 |
| December 1982 | 71.9 | 78.0 | 80.5 |
| January 1983 | 70.4 | 78.2 | 78.8 |
| February 1983 | 74.6 | 79.9 | 81.3 |
| March 1983 | 80.8 | 88.4 | 88.9 |
| April 1983 | 89.1 | 97.1 | 99.0 |
| May 1983 | 93.3 | 99.6 | 101.0 |
| June 1983 | 92.2 | 101.2 | 102.5 |
| July 1983 | 93.9 | 104.4 | 106.5 |
| August 1983 | 90.9 | 101.2 | 103.5 |
| September 1983 | 89.9 | 99.0 | 102.3 |
| October 1983 | 89.3 | 99.5 | 101.9 |
| November 1983 | 91.1 | 97.2 | 98.8 |

CHART 2A - HISTORICAL SERIES
INDEX OF CONSUMER SENTIMENT WITHIN REGION SUBGROUPS

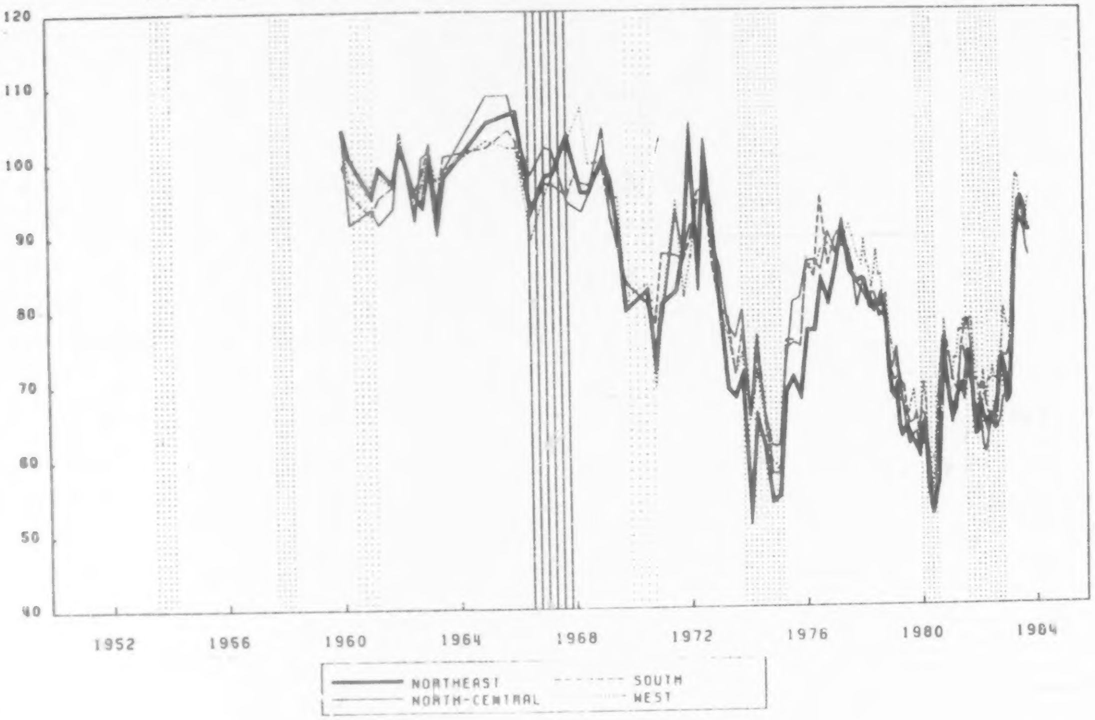
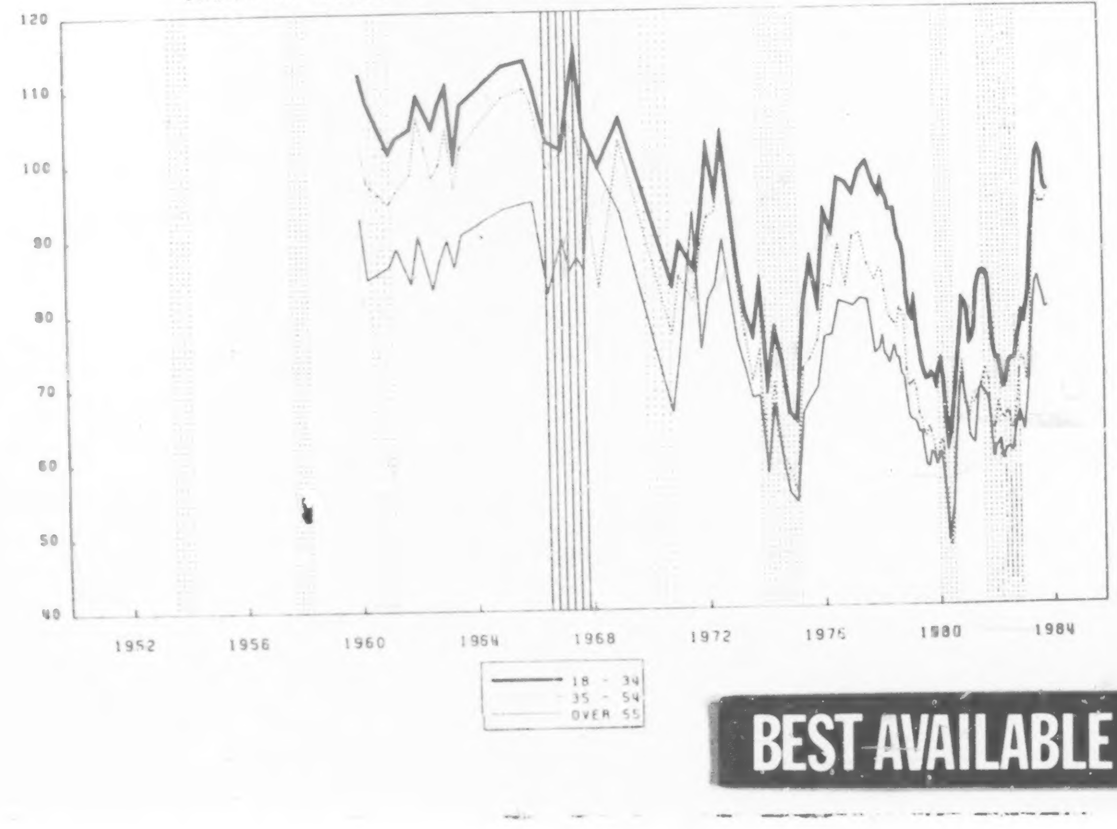


CHART 2B - HISTORICAL SERIES
INDEX OF CONSUMER SENTIMENT WITHIN AGE SUBGROUPS



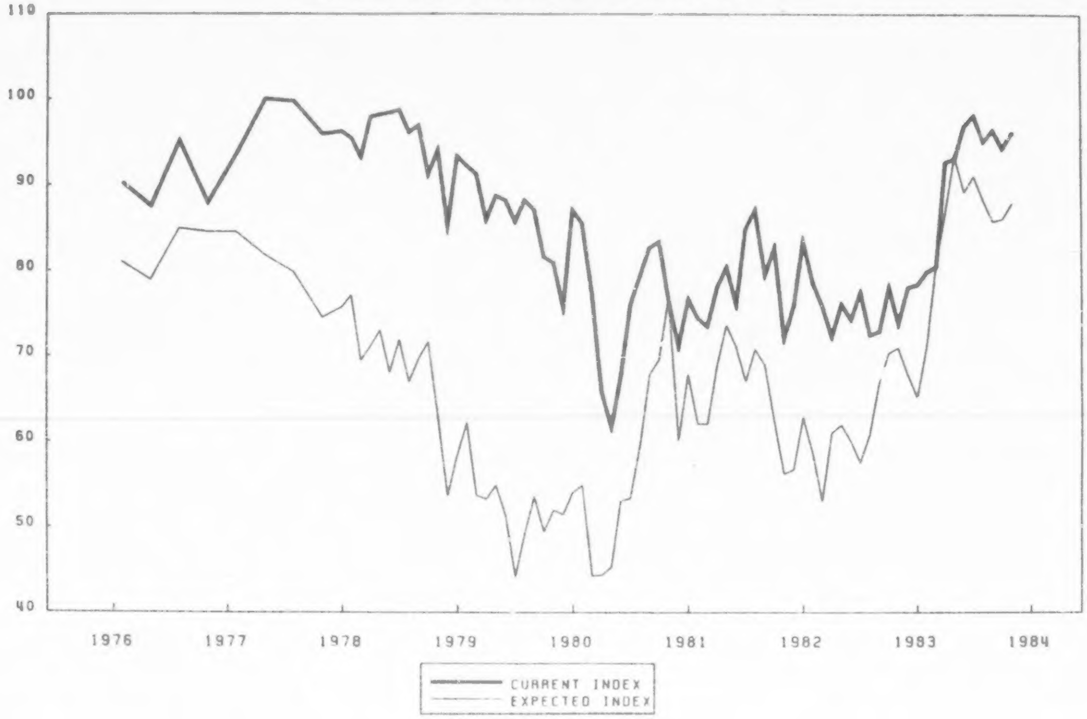
BEST AVAILABLE COPY

## TABLE 2

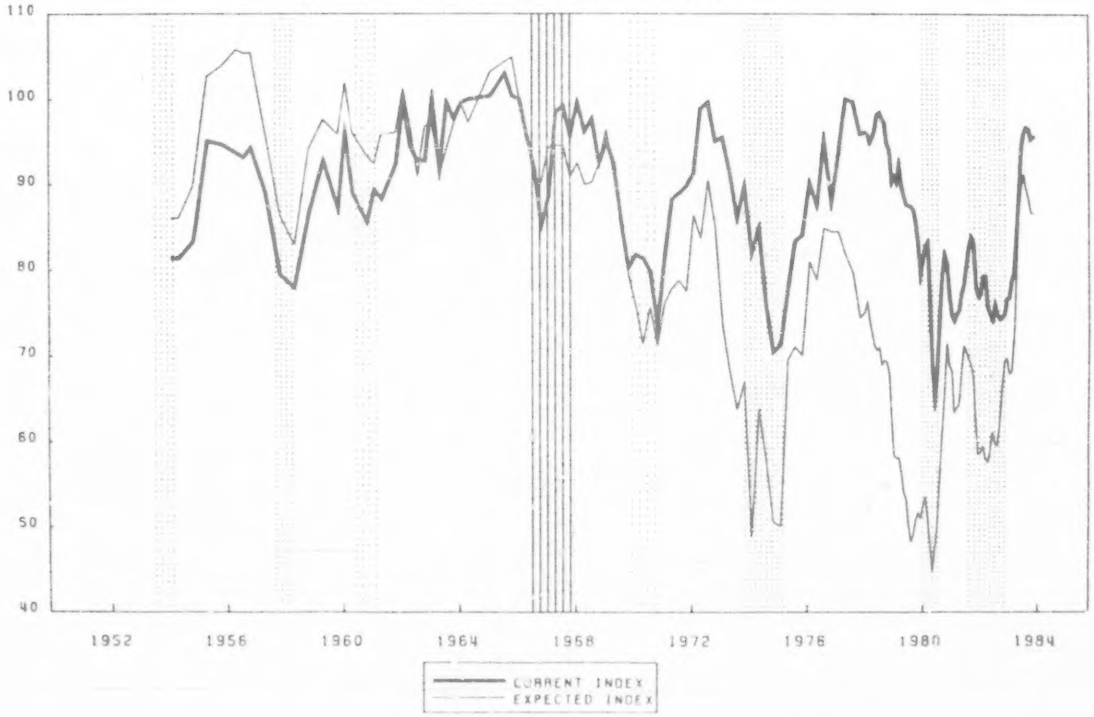
## INDEX OF CONSUMER SENTIMENT WITHIN REGION AND AGE SUBGROUPS

| DATE OF SURVEY | CENSUS REGION | | | | AGE OF RESPONDENT | | |
|---|---|---|---|---|---|---|---|
| | North East | North Central | South | West | 18-34 | 35-54 | 55+ |
| November 1980 | 71.1 | 76.2 | 77.3 | 81.9 | 85.3 | 73.5 | 70.3 |
| December 1980 | 62.3 | 59.9 | 69.3 | 64.6 | 76.0 | 56.7 | 60.1 |
| January 1981 | 68.2 | 70.9 | 72.5 | 74.4 | 77.2 | 70.2 | 67.9 |
| February 1981 | 64.5 | 62.6 | 70.2 | 70.8 | 72.5 | 68.4 | 59.6 |
| March 1981 | 66.5 | 62.6 | 64.9 | 73.7 | 77.3 | 63.9 | 58.4 |
| April 1981 | 72.6 | 72.7 | 71.0 | 74.2 | 81.5 | 68.3 | 66.9 |
| May 1981 | 66.8 | 76.6 | 77.5 | 82.2 | 87.7 | 71.2 | 70.0 |
| June 1981 | 68.5 | 74.0 | 75.2 | 73.8 | 81.7 | 67.0 | 69.6 |
| July 1981 | 68.9 | 72.2 | 76.5 | 78.1 | 84.2 | 70.6 | 67.6 |
| August 1981 | 77.0 | 70.1 | 83.2 | 79.2 | 87.8 | 75.0 | 67.9 |
| September 1981 | 75.1 | 69.9 | 72.4 | 76.6 | 81.4 | 68.8 | 69.2 |
| October 1981 | 67.9 | 68.2 | 68.9 | 79.0 | 80.7 | 65.9 | 64.8 |
| November 1981 | 55.8 | 64.7 | 61.1 | 68.8 | 71.3 | 59.6 | 57.7 |
| December 1981 | 65.0 | 65.3 | 64.4 | 61.6 | 70.9 | 65.3 | 56.7 |
| January 1982 | 68.8 | 67.3 | 72.0 | 76.2 | 76.6 | 67.4 | 68.5 |
| February 1982 | 65.9 | 60.6 | 71.8 | 68.8 | 71.5 | 68.3 | 59.0 |
| March 1982 | 60.5 | 55.8 | 64.7 | 68.2 | 65.5 | 61.4 | 58.8 |
| April 1982 | 67.2 | 64.6 | 65.0 | 65.8 | 70.6 | 65.5 | 60.4 |
| May 1982 | 62.4 | 66.5 | 66.6 | 75.7 | 72.7 | 67.6 | 62.0 |
| June 1982 | 65.4 | 65.0 | 64.9 | 68.6 | 72.4 | 64.4 | 60.3 |
| July 1982 | 65.1 | 64.0 | 63.5 | 71.1 | 73.4 | 63.3 | 60.6 |
| August 1982 | 68.1 | 60.6 | 64.0 | 70.6 | 72.6 | 62.9 | 60.2 |
| September 1982 | 70.3 | 67.2 | 71.1 | 68.8 | 73.0 | 66.7 | 68.0 |
| October 1982 | 77.8 | 66.2 | 74.1 | 79.3 | 81.2 | 72.1 | 65.5 |
| November 1982 | 70.6 | 67.9 | 73.2 | 79.3 | 76.6 | 75.7 | 63.8 |
| December 1982 | 66.1 | 70.0 | 72.5 | 80.4 | 78.9 | 71.7 | 64.2 |
| January 1983 | 64.9 | 70.5 | 73.6 | 72.8 | 78.8 | 70.0 | 62.0 |
| February 1983 | 72.1 | 72.3 | 75.8 | 77.2 | 82.1 | 68.3 | 72.4 |
| March 1983 | 82.9 | 73.7 | 82.7 | 84.4 | 84.9 | 81.5 | 75.5 |
| April 1983 | 89.1 | 88.0 | 87.2 | 95.6 | 95.8 | 90.5 | 80.5 |
| May 1983 | 88.3 | 90.7 | 93.3 | 102.7 | 97.2 | 97.1 | 84.9 |
| June 1983 | 95.1 | 88.7 | 92.5 | 94.1 | 97.8 | 94.4 | 83.9 |
| July 1983 | 98.3 | 93.8 | 89.9 | 94.3 | 106.0 | 93.6 | 83.0 |
| August 1983 | 89.6 | 92.0 | 91.3 | 89.6 | 99.2 | 92.9 | 80.0 |
| September 1983 | 92.6 | 87.8 | 89.3 | 90.8 | 94.8 | 94.5 | 80.9 |
| October 1983 | 89.9 | 83.7 | 91.5 | 93.5 | 94.2 | 93.8 | 77.8 |
| November 1983 | 87.7 | 88.3 | 91.5 | 98.5 | 97.2 | 94.6 | 80.7 |

## CHART 3 - RECENT CHANGES
## CURRENT AND EXPECTED COMPONENTS



## CHART 3 - HISTORICAL SERIES
## CURRENT AND EXPECTED COMPONENTS



## TABLE 3

## COMPONENTS OF THE INDEX OF CONSUMER SENTIMENT

| | INDEX COMPONENTS + | | | | | | |
|---|---|---|---|---|---|---|---|
| | Personal finances | | Business conditions | | Buying conds. | Current Index | Expected Index |
| | Current | Expected | 12 months | 5 years | | | |
| DATE OF SURVEY | (1) | (2) | (3) | (4) | (5) | (1,5) | (2,3,4) |
| November 1980 | 83 | 118 | 94 | 93 | 112 | 76.4 | 76.9 |
| December 1980 | 77 | 100 | 64 | 73 | 104 | 71.2 | 60.2 |
| January 1981 | 80 | 109 | 78 | 81 | 116 | 76.7 | 67.9 |
| February 1981 | 80 | 106 | 64 | 73 | 109 | 74.4 | 62.1 |
| March 1981 | 86 | 104 | 68 | 72 | 101 | 73.5 | 62.1 |
| April 1981 | 79 | 111 | 83 | 78 | 121 | 78.1 | 68.8 |
| May 1981 | 95 | 118 | 92 | 81 | 111 | 80.4 | 73.6 |
| June 1981 | 89 | 113 | 91 | 78 | 104 | 76.1 | 71.2 |
| July 1981 | 99 | 114 | 81 | 70 | 118 | 84.9 | 67.1 |
| August 1981 | 100 | 117 | 92 | 72 | 123 | 87.1 | 70.8 |
| September 1981 | 94 | 113 | 80 | 80 | 109 | 79.5 | 69.0 |
| October 1981 | 95 | 110 | 68 | 67 | 117 | 82.7 | 62.3 |
| November 1981 | 85 | 110 | 54 | 56 | 99 | 72.1 | 56.3 |
| December 1981 | 94 | 110 | 54 | 61 | 101 | 75.9 | 56.8 |
| January 1982 | 92 | 115 | 66 | 70 | 124 | 83.5 | 62.9 |
| February 1982 | 91 | 112 | 56 | 65 | 111 | 78.6 | 58.7 |
| March 1982 | 89 | 106 | 44 | 60 | 106 | 75.9 | 53.1 |
| April 1982 | 87 | 111 | 62 | 70 | 99 | 72.3 | 61.1 |
| May 1982 | 94 | 113 | 62 | 72 | 102 | 76.1 | 62.0 |
| June 1982 | 92 | 116 | 58 | 65 | 99 | 74.3 | 60.1 |
| July 1982 | 90 | 113 | 53 | 63 | 110 | 77.5 | 57.6 |
| August 1982 | 89 | 110 | 64 | 69 | 97 | 72.5 | 60.9 |
| September 1982 | 89 | 116 | 76 | 74 | 98 | 72.9 | 66.9 |
| October 1982 | 95 | 119 | 79 | 83 | 106 | 78.1 | 70.4 |
| November 1982 | 85 | 121 | 77 | 86 | 105 | 73.8 | 71.0 |
| December 1982 | 90 | 117 | 74 | 80 | 111 | 78.1 | 67.9 |
| January 1983 | 91 | 115 | 76 | 69 | 111 | 78.4 | 65.2 |
| February 1983 | 89 | 117 | 87 | 81 | 117 | 79.9 | 71.2 |
| March 1983 | 92 | 126 | 113 | 85 | 115 | 80.5 | 80.9 |
| April 1983 | 108 | 131 | 120 | 99 | 131 | 92.7 | 86.9 |
| May 1983 | 101 | 137 | 139 | 100 | 139 | 93.1 | 93.4 |
| June 1983 | 110 | 128 | 134 | 97 | 141 | 96.9 | 89.2 |
| July 1983 | 111 | 126 | 136 | 104 | 143 | 98.1 | 91.1 |
| August 1983 | 106 | 124 | 130 | 100 | 140 | 95.1 | 88.2 |
| September 1983 | 109 | 125 | 125 | 95 | 140 | 96.4 | 85.8 |
| October 1983 | 104 | 124 | 124 | 98 | 140 | 94.3 | 86.1 |
| November 1983 | 111 | 127 | 129 | 98 | 138 | 96.1 | 87.9 |

(1) See Table 4.
(2) See Table 6.

(3) See Table 18.
(4) See Table 19.
(5) See Table 26.

+ : Percent saying "GOOD TIMES" (or "BETTER"), minus percent saying "BAD TIMES" (or "WORSE"), plus 100.

CHART 4 - RECENT CHANGES

CURRENT FINANCIAL SITUATION COMPARED WITH A YEAR AGO

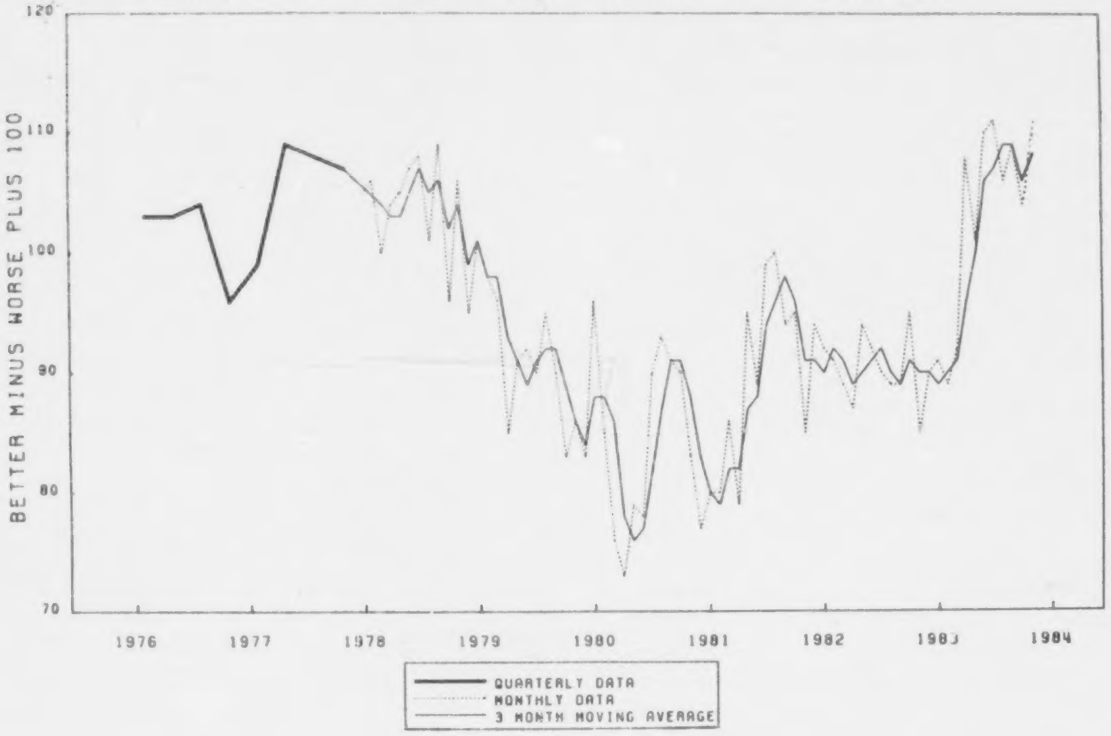
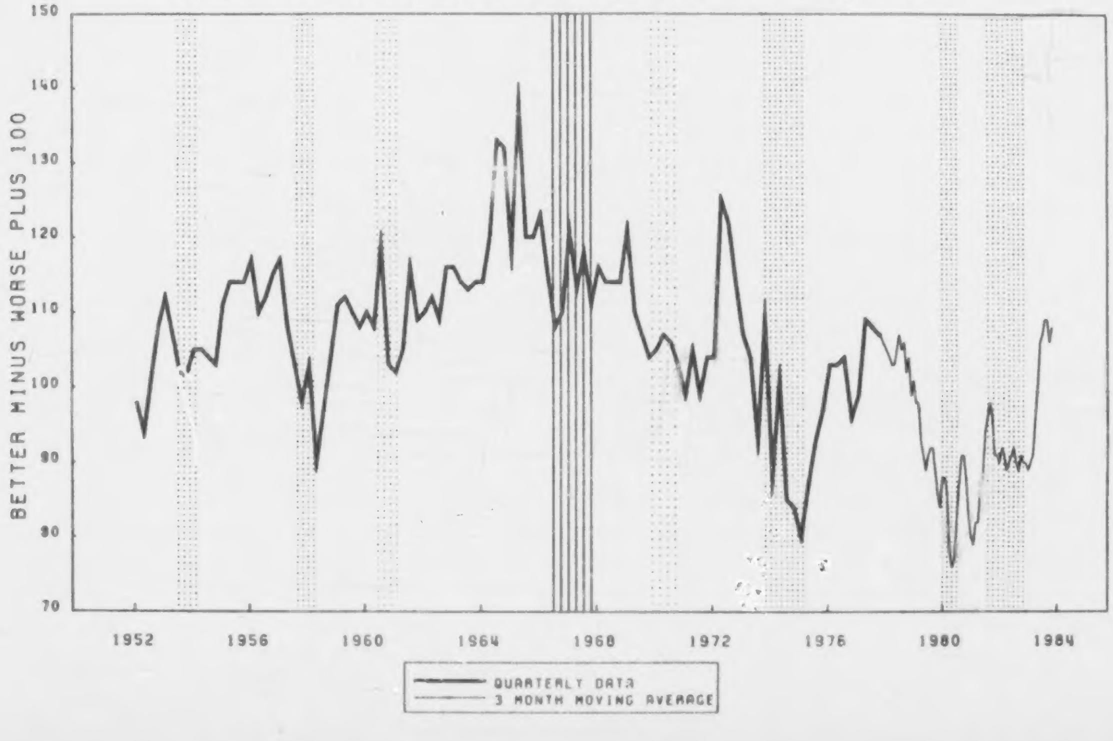


CHART 4 - HISTORICAL SERIES

CURRENT FINANCIAL SITUATION COMPARED WITH A YEAR AGO



## TABLE 4

## CURRENT FINANCIAL SITUATION COMPARED TO A YEAR AGO

| | Nov. 1982 | Dec. 1982 | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| BETTER OFF | 31% | 28% | 29% | 30% | 31% | 39% | 34% | 38% | 40% | 36% | 38% | 36% | 38% |
| SAME | 23 | 34 | 33 | 29 | 30 | 30 | 33 | 33 | 31 | 34 | 33 | 32 | 35 |
| WORSE OFF | 46 | 38 | 38 | 41 | 39 | 31 | 33 | 28 | 29 | 30 | 29 | 32 | 27 |
| DK,NA | * | * | * | * | * | * | * | 1 | * | * | * | * | * |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 682 | 682 | 682 | 709 | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 |

The question was: "We are interested in how people are getting along financially these days. Would you say that you (and your family living there) are better off or worse off financially than you were a year ago?"

* : Less than half of one percent.

CHART 5 - RECENT CHANGES

REASONS FOR OPINIONS ABOUT PERSONAL FINANCIAL SITUATION

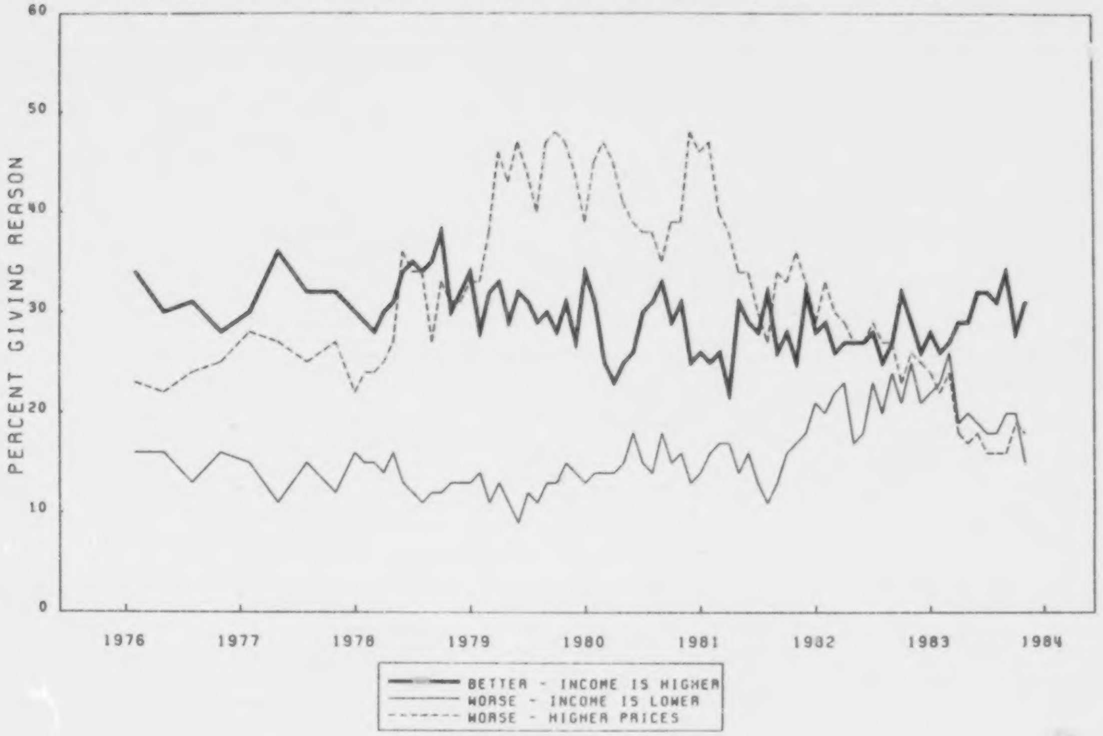
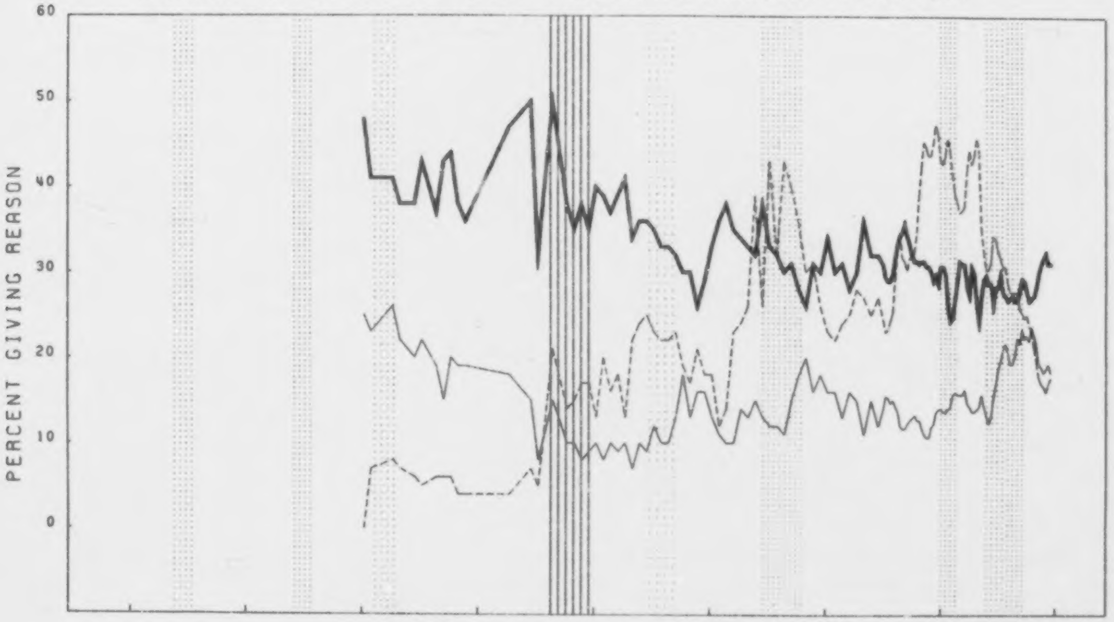


CHART 5 - HISTORICAL SERIES

REASONS FOR OPINIONS ABOUT PERSONAL FINANCIAL SITUATION



## TABLE 5

## SELECTED REASONS FOR OPINIONS ABOUT PERSONAL FINANCIAL SITUATION +

| | Nov. 1982 | Dec. 1982 | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| BETTER OFF THAN YEAR AGO: | | | | | | | | | | | | | |
| Income is higher | 29% | 26% | 28% | 26% | 27% | 29% | 29% | 32% | 32% | 31% | 34% | 28% | 31% |
| WORSE OFF THAN YEAR AGO: | | | | | | | | | | | | | |
| Income is lower | 25 | 21 | 22 | 23 | 26 | 19 | 20 | 19 | 18 | 18 | 20 | 20 | 15 |
| Higher prices | 26 | 25 | 24 | 22 | 24 | 18 | 17 | 18 | 16 | 16 | 16 | 19 | 18 |

Responses to the query: "Why do you say so?" following the question on Table 4.

+ : May add to more than 100% due to multiple mentions.

CHART 6 - RECENT CHANGES
EXPECTED CHANGE IN FINANCIAL SITUATION

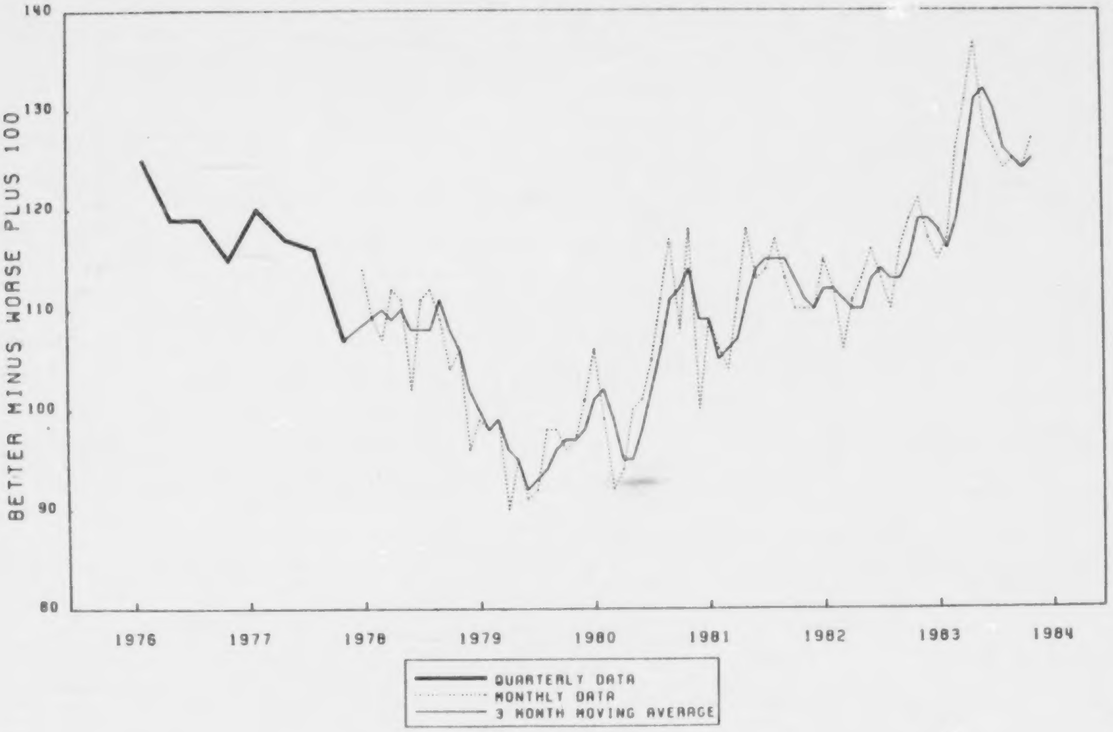
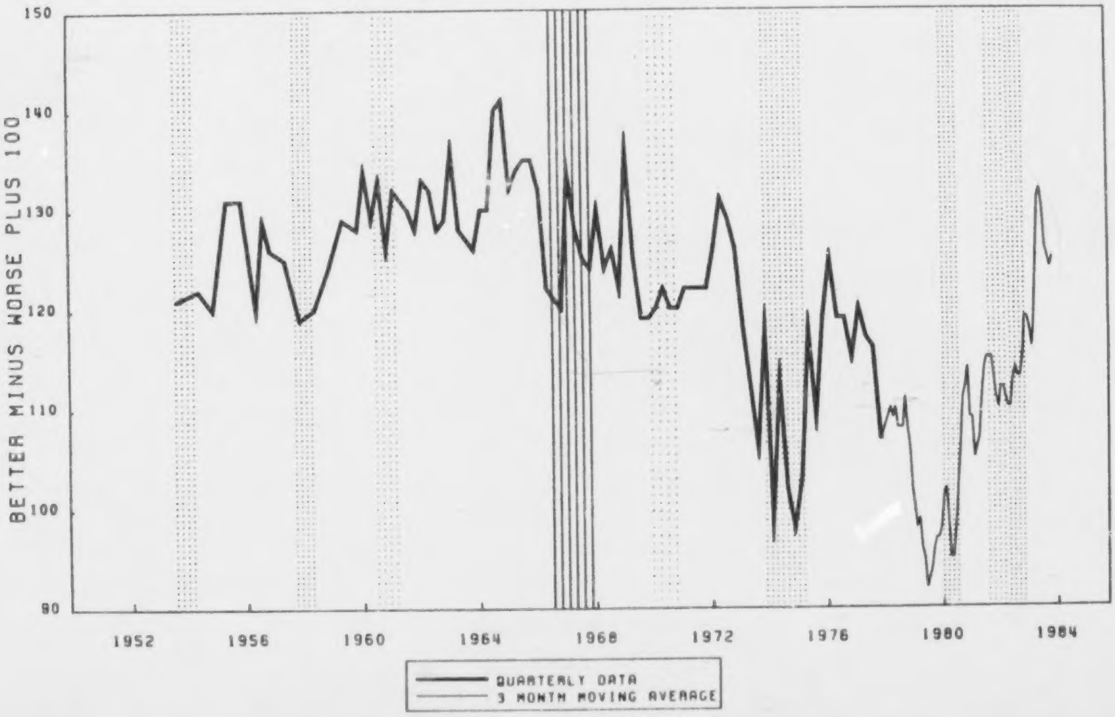


CHART 6 - HISTORICAL SERIES
EXPECTED CHANGE IN FINANCIAL SITUATION



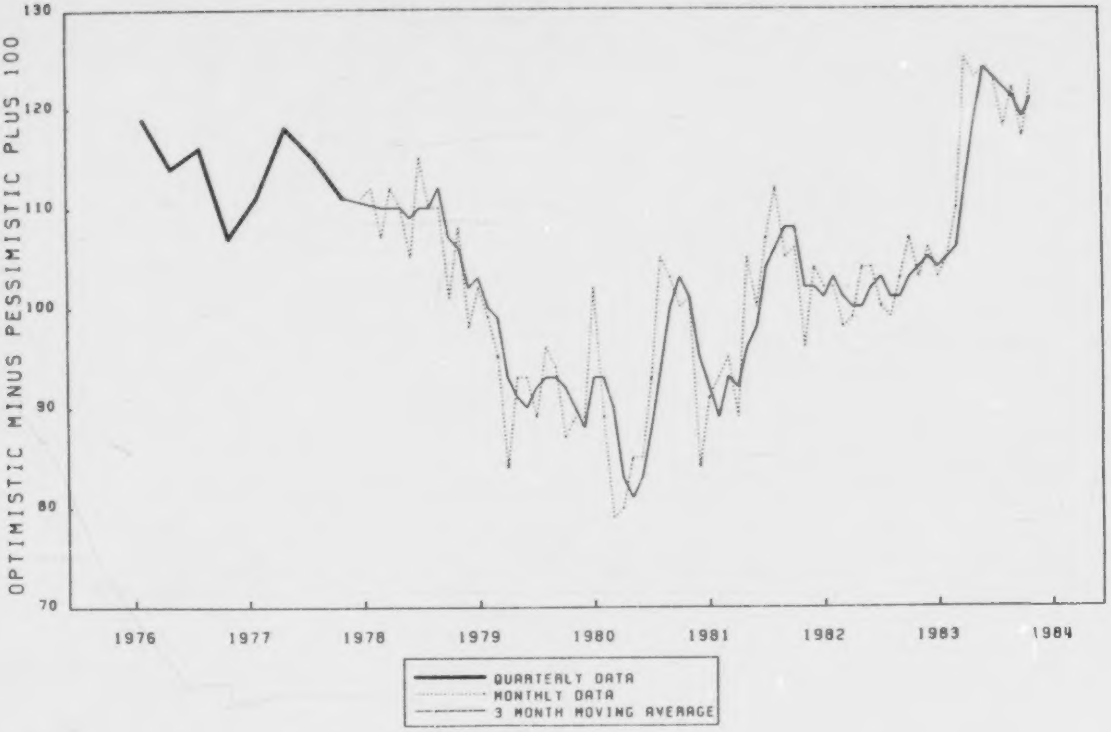
## TABLE 6

## EXPECTED CHANGE IN FINANCIAL SITUATION

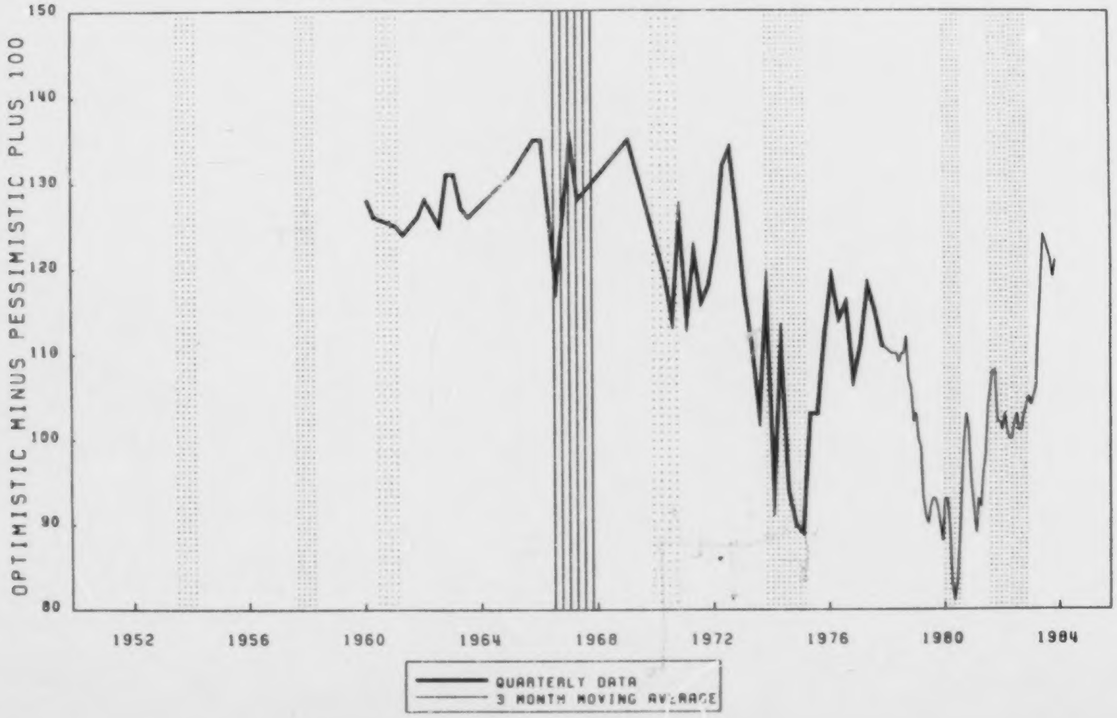
| | Nov. 1982 | Dec. 1982 | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| BETTER OFF | 37% | 34% | 34% | 33% | 39% | 40% | 43% | 37% | 35% | 37% | 37% | 37% | 38% |
| SAME | 43 | 46 | 44 | 47 | 46 | 47 | 47 | 52 | 52 | 46 | 48 | 46 | 47 |
| WORSE OFF | 16 | 17 | 19 | 16 | 13 | 9 | 6 | 9 | 9 | 13 | 12 | 13 | 11 |
| DK,NA | 4 | 3 | 3 | 4 | 2 | 4 | 4 | 2 | 4 | 4 | 3 | 4 | 4 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 682 | 682 | 682 | 709 | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 |

The question was: "Now looking ahead--do you think that a year from now you (and your family living there) will be better off financially, or worse off, or just about the same as now?"

## CHART 7 - RECENT CHANGES
## TREND IN PERSONAL FINANCIAL SITUATION



## CHART 7 - HISTORICAL SERIES
## TREND IN PERSONAL FINANCIAL SITUATION



## TABLE 7

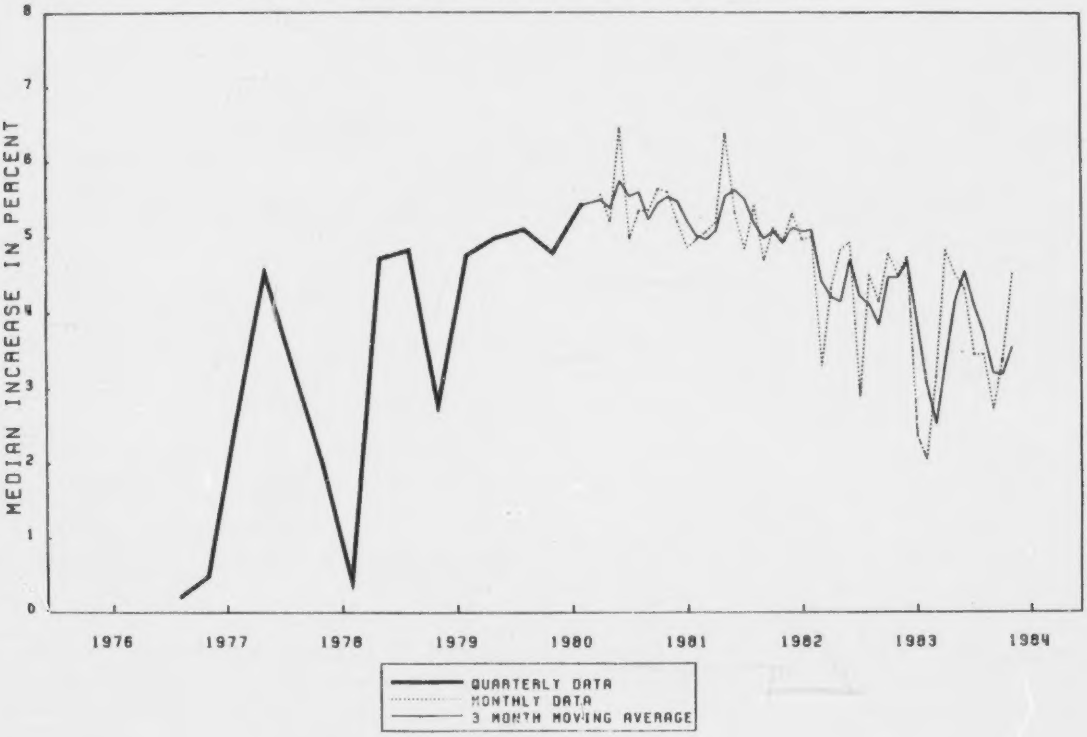
## TREND IN PERSONAL FINANCIAL SITUATION

|  | Nov. 1982 | Dec. 1982 | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| PERSONAL FINANCIAL PROGRESS: |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Continuous increase (a) | 16% | 14% | 15% | 13% | 16% | 19% | 18% | 19% | 20% | 19% | 18% | 19% | 20% |
| Intermittent increase (b) | 19 | 22 | 20 | 22 | 22 | 26 | 25 | 26 | 24 | 23 | 27 | 23 | 23 |
| Remain unchanged (c) | 12 | 18 | 16 | 16 | 16 | 18 | 18 | 20 | 21 | 19 | 18 | 18 | 21 |
| Intermittent decline (d) | 22 | 18 | 21 | 20 | 21 | 15 | 18 | 17 | 16 | 18 | 17 | 18 | 15 |
| Continuous decline (e) | 10 | 12 | 11 | 10 | 7 | 5 | 2 | 4 | 5 | 6 | 6 | 7 | 5 |
| Mixed change (f) | 18 | 13 | 13 | 14 | 16 | 13 | 15 | 11 | 10 | 10 | 11 | 11 | 11 |
| DK,NA | 3 | 3 | 4 | 5 | 2 | 4 | 4 | 3 | 4 | 5 | 3 | 4 | 5 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 682 | 682 | 682 | 709 | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 |

Combination of the responses to the questions on Tables 4 and 6.

Key: (a) Better off financially than a year ago/Better off a year from now
(b) Better/Same or Same/Better
(c) Same/Same
(d) Worse/Same or Same/Worse
(e) Worse/Worse
(f) Worse/Better or Better/Worse

CHART 8 - RECENT CHANGES
MEDIAN EXPECTED CHANGE IN FAMILY INCOME



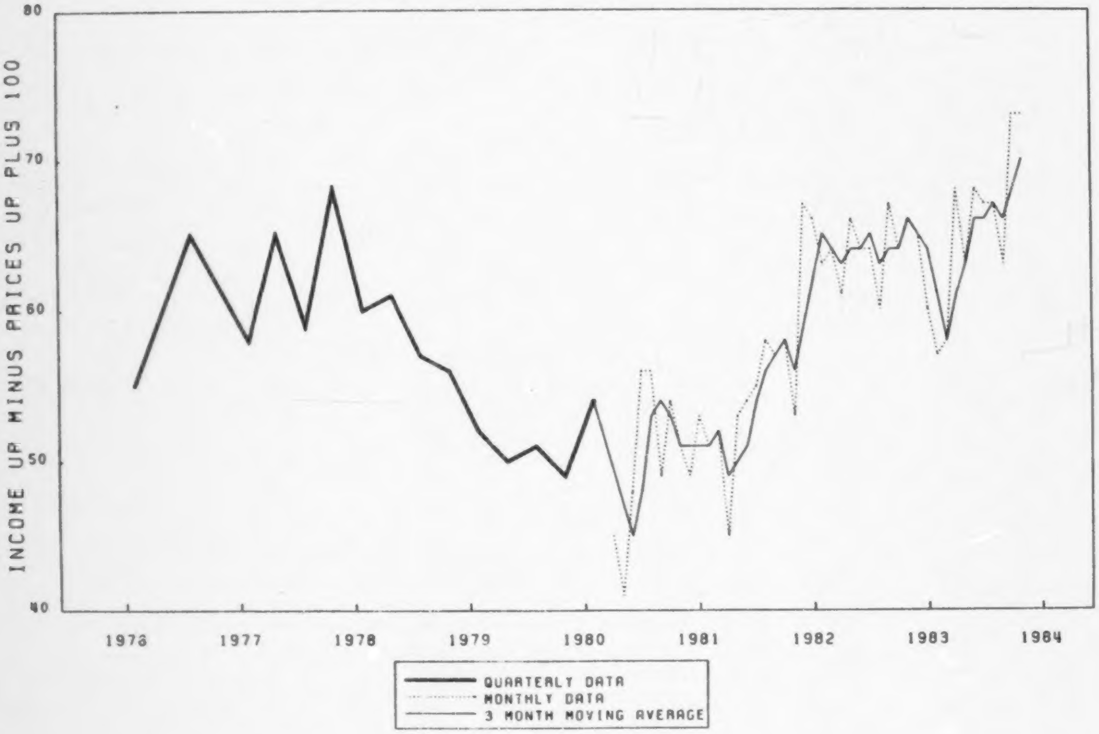
## TABLE 8

## EXPECTED FAMILY INCOME CHANGE DURING THE NEXT 12 MONTHS

| | Nov. 1982 | Dec. 1982 | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| EXPECT INCREASE: | | | | | | | | | | | | | |
| 1-4% | 6% | 6% | 11% | 7% | 7% | 9% | 8% | 8% | 9% | 13% | 11% | 11% | 12% |
| 5% | 9 | 10 | 9 | 9 | 10 | 12 | 9 | 11 | 12 | 10 | 12 | 10 | 9 |
| 6-9% | 7 | 9 | 8 | 8 | 10 | 12 | 8 | 11 | 10 | 10 | 5 | 10 | 8 |
| 10-24% | 19 | 22 | 13 | 16 | 16 | 19 | 20 | 16 | 15 | 15 | 14 | 15 | 19 |
| 25% or more | 9 | 7 | 7 | 8 | 7 | 7 | 9 | 8 | 7 | 8 | 9 | 7 | 8 |
| DK how much up | 6 | 4 | 6 | 4 | 5 | 4 | 5 | 4 | 4 | 4 | 6 | 5 | 7 |
| EXPECT SAME | 27 | 24 | 28 | 30 | 26 | 25 | 26 | 28 | 28 | 23 | 30 | 26 | 23 |
| EXPECT DOWN | 14 | 17 | 17 | 16 | 17 | 10 | 14 | 13 | 13 | 14 | 12 | 13 | 11 |
| DK,NA | 3 | 1 | 1 | 2 | 2 | 2 | 1 | 1 | 2 | 3 | 1 | 3 | 3 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 682 | 682 | 682 | 709 | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 |

The questions were: "During the next 12 months, do you expect your (family) income to be higher or lower than during the past year?" and "By about what percent do you expect your (family) income to increase during the next 12 months?"

CHART 9 - RECENT CHANGES
INCOME OR PRICES UP MORE DURING THE LAST YEAR



## TABLE 9

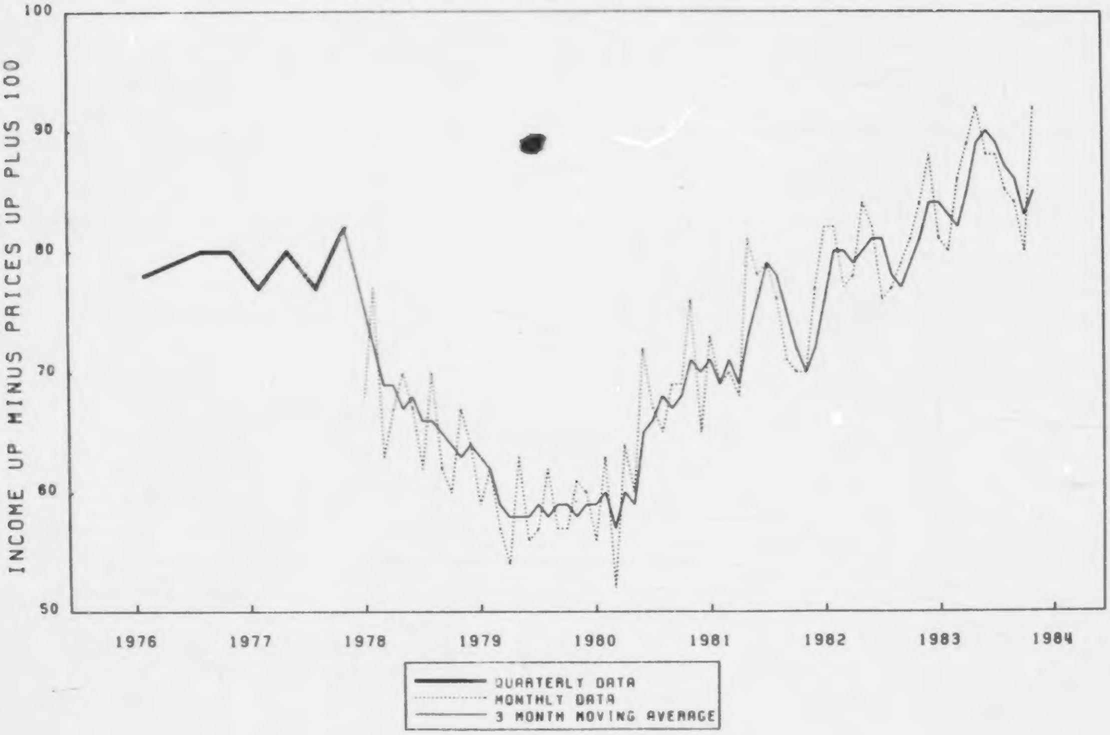
## PAST CHANGE IN REAL FAMILY INCOME

| | Nov. 1982 | Dec. 1982 | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| INCOME UP MORE | 16% | 14% | 14% | 14% | 16% | 17% | 16% | 17% | 18% | 20% | 15% | 20% | 22% |
| INCOME UP SAME | 33 | 35 | 30 | 27 | 25 | 32 | 30 | 32 | 29 | 26 | 31 | 32 | 28 |
| PRICES UP MORE | 50 | 49 | 54 | 57 | 58 | 49 | 53 | 49 | 51 | 53 | 52 | 47 | 49 |
| DK,NA | 1 | 2 | 2 | 2 | 1 | 2 | 1 | 2 | 2 | 1 | 2 | 1 | 1 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 682 | 682 | 682 | 709 | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 |

The question was: "During the last year or two, would you say that your (family) income went up more than prices, went up about the same as prices, or went up less than prices?"

CHART 10 - RECENT CHANGES

INCOME OR PRICES UP MORE NEXT YEAR



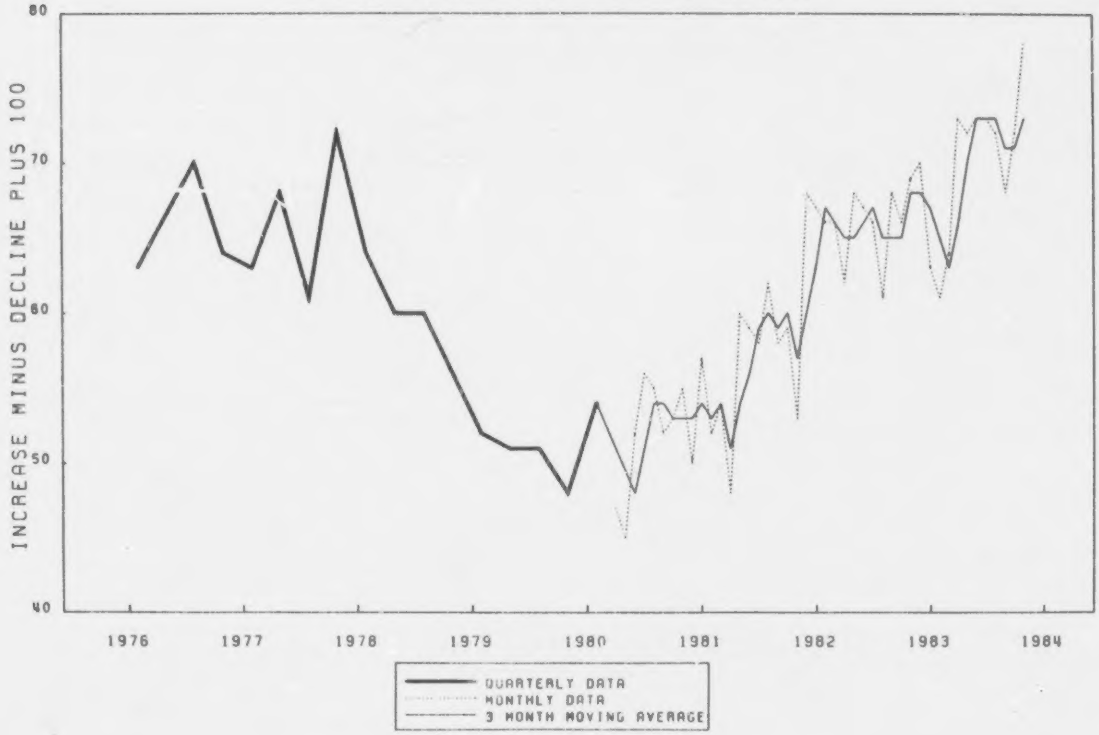
## TABLE 10

## EXPECTED CHANGE IN REAL FAMILY INCOME

| | Nov. 1982 | Dec. 1982 | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| INCOME UP MORE | 19% | 21% | 19% | 16% | 21% | 19% | 24% | 20% | 22% | 19% | 19% | 18% | 23% |
| INCOME UP SAME | 42 | 44 | 40 | 44 | 41 | 46 | 42 | 46 | 41 | 43 | 44 | 41 | 42 |
| PRICES UP MORE | 35 | 33 | 38 | 36 | 35 | 30 | 32 | 32 | 34 | 34 | 35 | 38 | 31 |
| DK,NA | 4 | 2 | 3 | 4 | 3 | 5 | 2 | 2 | 3 | 4 | 2 | 3 | 4 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 682 | 682 | 682 | 709 | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 |

The question was: "How about the next year or two--do you expect that your (family) income will go up more than prices will go up, about the same, or less than prices will go up?"

CHART 11 - RECENT CHANGES
TREND IN INCOME AND PRICE COMPARISON



## TABLE 11

## TREND IN FAMILY INCOME AND PRICES COMPARISONS

| | Nov. 1982 | Dec. 1982 | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| REAL INCOME PROGRESS: | | | | | | | | | | | | | |
| Continuous increase (a) | 9% | 8% | 8% | 8% | 10% | 9% | 10% | 9% | 10% | 10% | 8% | 11% | 13% |
| Intermittent increase (b) | 10 | 11 | 9 | 8 | 8 | 11 | 10 | 12 | 13 | 13 | 10 | 10 | 12 |
| Remain unchanged (c) | 19 | 21 | 18 | 17 | 15 | 21 | 19 | 21 | 17 | 16 | 21 | 20 | 17 |
| Intermittent decline (d) | 25 | 25 | 24 | 27 | 27 | 23 | 23 | 23 | 23 | 24 | 23 | 21 | 23 |
| Continuous decline (e) | 25 | 24 | 30 | 28 | 27 | 24 | 25 | 25 | 27 | 27 | 27 | 28 | 24 |
| Mixed change (f) | 7 | 7 | 7 | 7 | 9 | 7 | 11 | 7 | 7 | 6 | 8 | 7 | 7 |
| DK,NA | 5 | 4 | 4 | 5 | 4 | 5 | 2 | 3 | 3 | 4 | 3 | 3 | 4 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 682 | 682 | 682 | 709 | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 |

Combination of the responses to the questions on Tables 9 and 10.

Key: (a) Income up more last year/Income up more next year
(b) Income up more/Same or Income up same/More
(c) Income up same/Same
(d) Prices up more/Same or Prices up same/More
(e) Prices up more/More
(f) Income up more/Prices up more or Prices up more/Income up more

CHART 12 - RECENT CHANGES
NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS

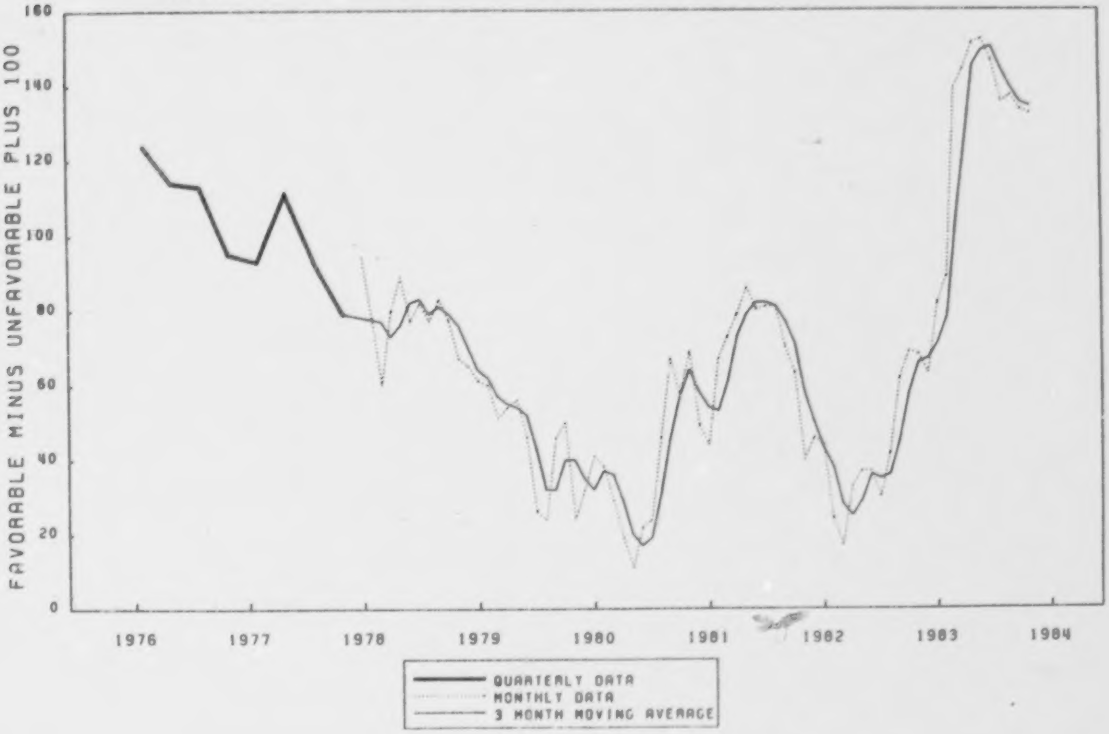
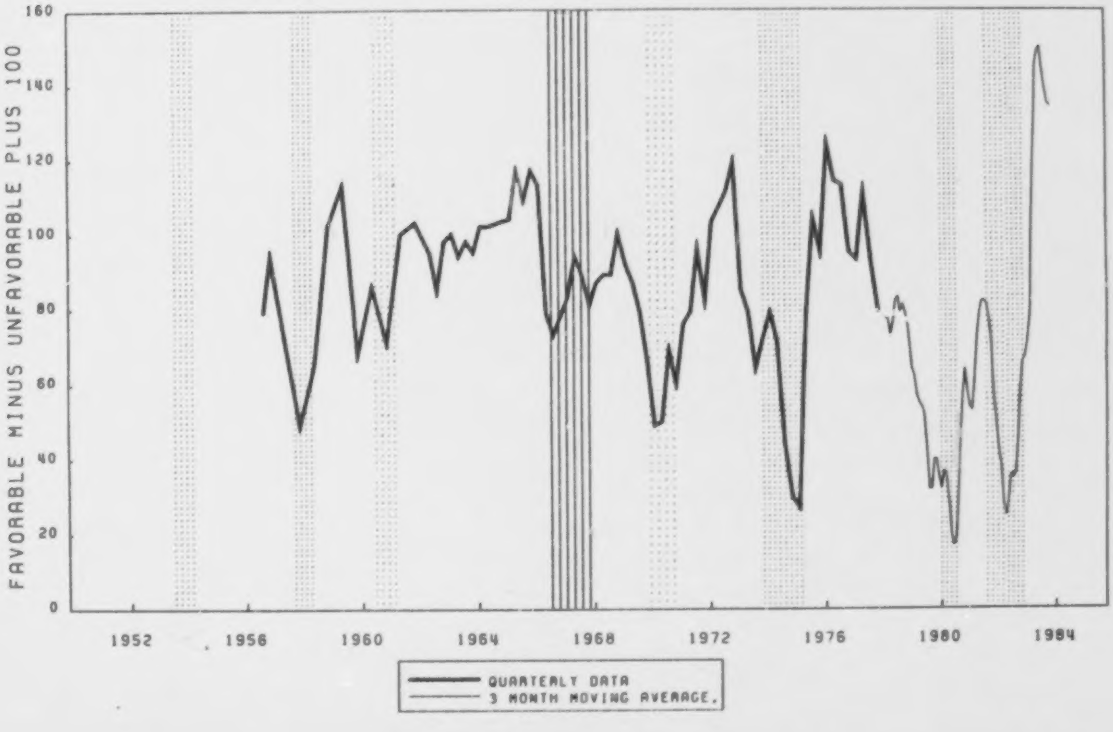


CHART 12 - HISTORICAL SERIES
NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS



## TABLE 12

## NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS +

| | Nov. 1982 | Dec. 1982 | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| FAVORABLE NEWS | 40% | 39% | 47% | 49% | 79% | 76% | 80% | 83% | 74% | 69% | 64% | 63% | 62% |
| UNFAVORABLE NEWS | 72 | 76 | 65 | 60 | 40 | 32 | 29 | 31 | 28 | 34 | 27 | 30 | 30 |
| NO MENTIONS | 29 | 27 | 28 | 32 | 28 | 32 | 31 | 27 | 34 | 34 | 43 | 41 | 39 |

The questions were: "During the last few months, have you heard of any favorable or unfavorable changes in business conditions?" and "What did you hear?"

+ : May add to more than 100% due to multiple mentions.

CHART 13A - HISTORICAL SERIES
TYPE OF NEWS HEARD ABOUT CHANGES IN BUSINESS CONDITIONS

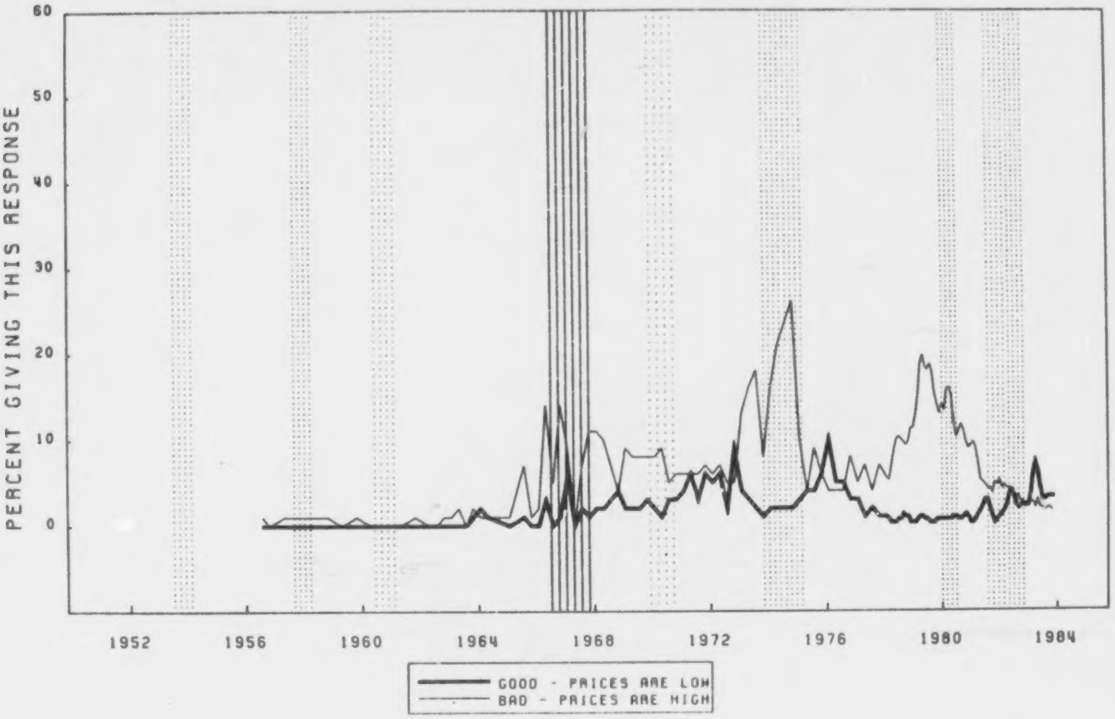
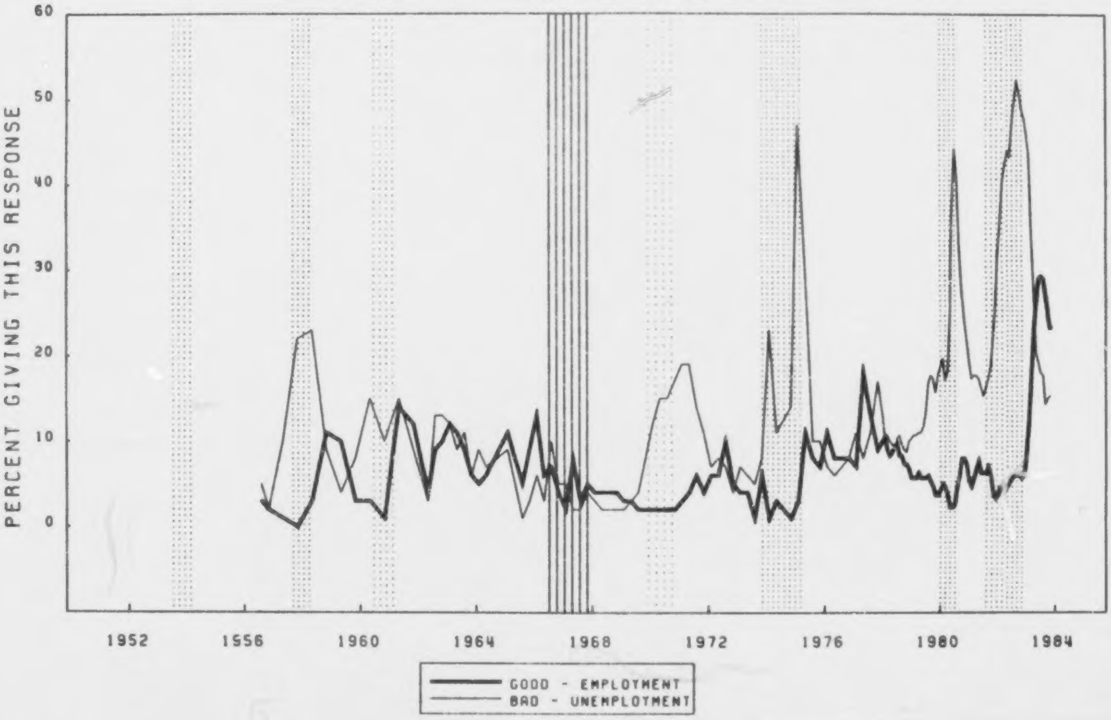


CHART 13B - HISTORICAL SERIES
TYPE OF NEWS HEARD ABOUT CHANGES IN BUSINESS CONDITIONS



## TABLE 13

## SELECTED ITEMS OF
## NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS +

| | Nov. 1982 | Dec. 1982 | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| FAVORABLE NEWS: | | | | | | | | | | | | | |
| Government; elections | 2% | 2% | 3% | 2% | 2% | 2% | 1% | 1% | 2% | 2% | 1% | 2% | 2% |
| Employment | 6 | 7 | 12 | 17 | 22 | 29 | 28 | 31 | 29 | 27 | 25 | 23 | 22 |
| Consumer demand high | 2 | 3 | 4 | 6 | 8 | 8 | 11 | 12 | 11 | 13 | 11 | 11 | 13 |
| Prices are low | 2 | 2 | 3 | 6 | 9 | 7 | 3 | 3 | 3 | 3 | 4 | 3 | 3 |
| Credit is easy | 18 | 15 | 15 | 9 | 17 | 15 | 16 | 17 | 11 | 8 | 8 | 7 | 5 |
| UNFAVORABLE NEWS: | | | | | | | | | | | | | |
| Government; elections | 2 | 3 | 3 | 4 | 2 | 3 | 3 | 2 | 2 | 3 | 1 | 1 | 2 |
| Unemployment | 47 | 49 | 43 | 39 | 24 | 20 | 17 | 21 | 16 | 16 | 11 | 18 | 17 |
| Consumer demand low | 7 | 8 | 5 | 3 | 3 | 3 | 2 | 2 | 2 | 2 | 1 | 1 | 2 |
| Prices are high | 3 | 2 | 3 | 3 | 2 | 1 | 3 | 2 | 1 | 2 | 3 | 1 | 1 |
| Credit is tight | 1 | 1 | 2 | 1 | * | 1 | 1 | 1 | 3 | 6 | 4 | 2 | 1 |
| Energy crisis | * | * | * | * | * | * | * | * | * | * | * | * | * |

The questions were: "During the last few months, have you heard of any favorable or unfavorable changes in business conditions?" and "What did you hear?"

+ : May add to more than 100% due to multiple mentions.

* : Less than half of one percent.

CHART 14 - RECENT CHANGES

CURRENT BUSINESS CONDITIONS COMPARED WITH A YEAR AGO

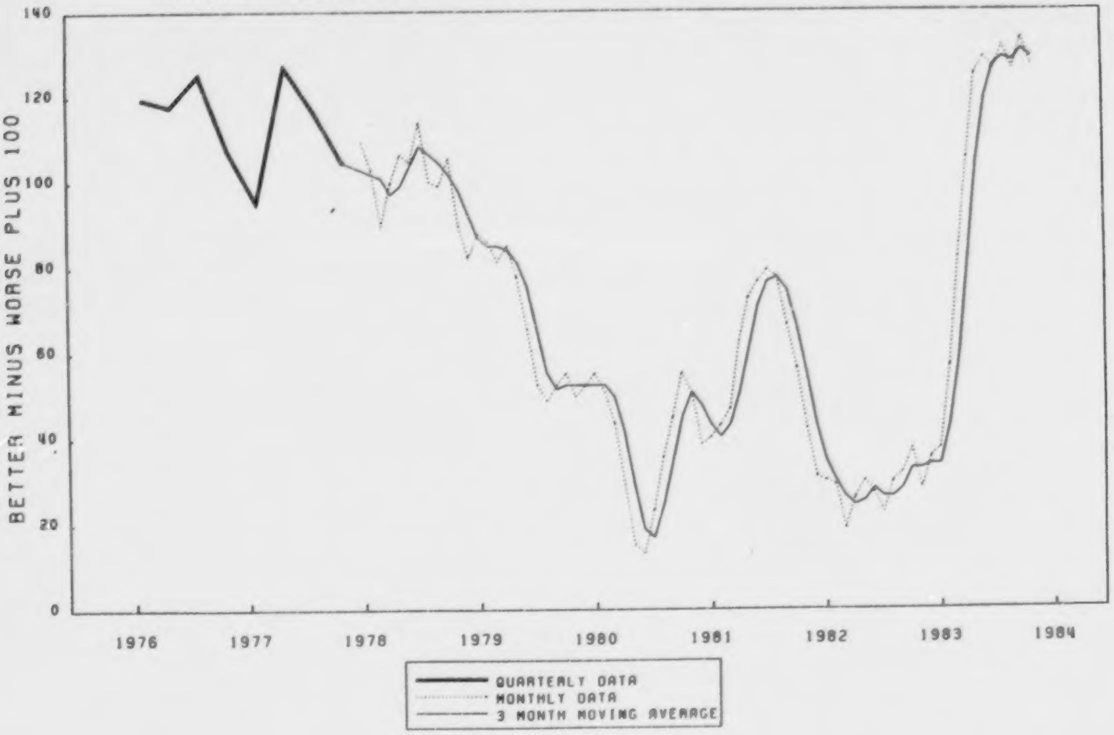
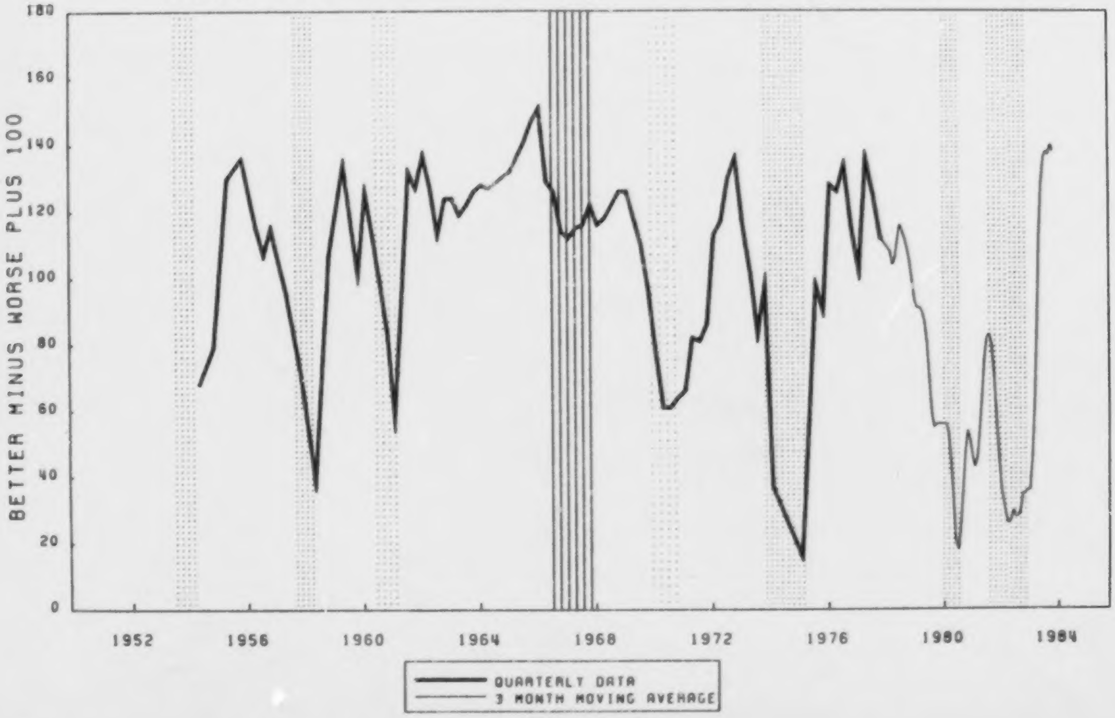


CHART 14 - HISTORICAL SERIES

CURRENT BUSINESS CONDITIONS COMPARED WITH A YEAR AGO



## TABLE 14

## CURRENT BUSINESS CONDITIONS COMPARED TO A YEAR AGO

| | Nov. 1982 | Dec. 1982 | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| BETTER NOW | 12% | 14% | 16% | 26% | 39% | 51% | 62% | 64% | 63% | 66% | 62% | 66% | 63% |
| SAME | 5 | 9 | 8 | 8 | 10 | 10 | 10 | 9 | 8 | 8 | 10 | 9 | 8 |
| WORSE NOW | 82 | 76 | 76 | 65 | 51 | 38 | 28 | 26 | 28 | 25 | 27 | 23 | 27 |
| DK,NA | 1 | 1 | * | 1 | * | 1 | * | 1 | 1 | 1 | 1 | 2 | 2 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 682 | 682 | 682 | 709 | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 |

The question was: "Would you say that at the present time business conditions are better or worse than they were a year ago?"

* : Less than half of one percent.

CHART 15 - RECENT CHANGES
EXPECTED CHANGE IN BUSINESS CONDITIONS IN A YEAR

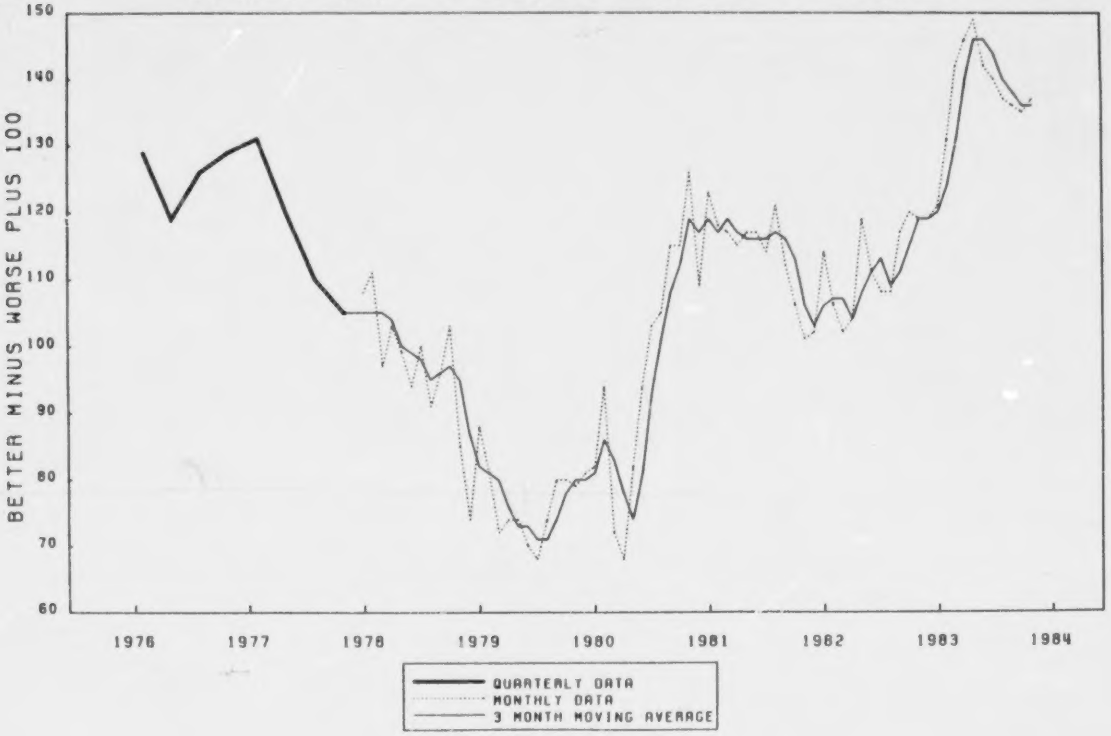
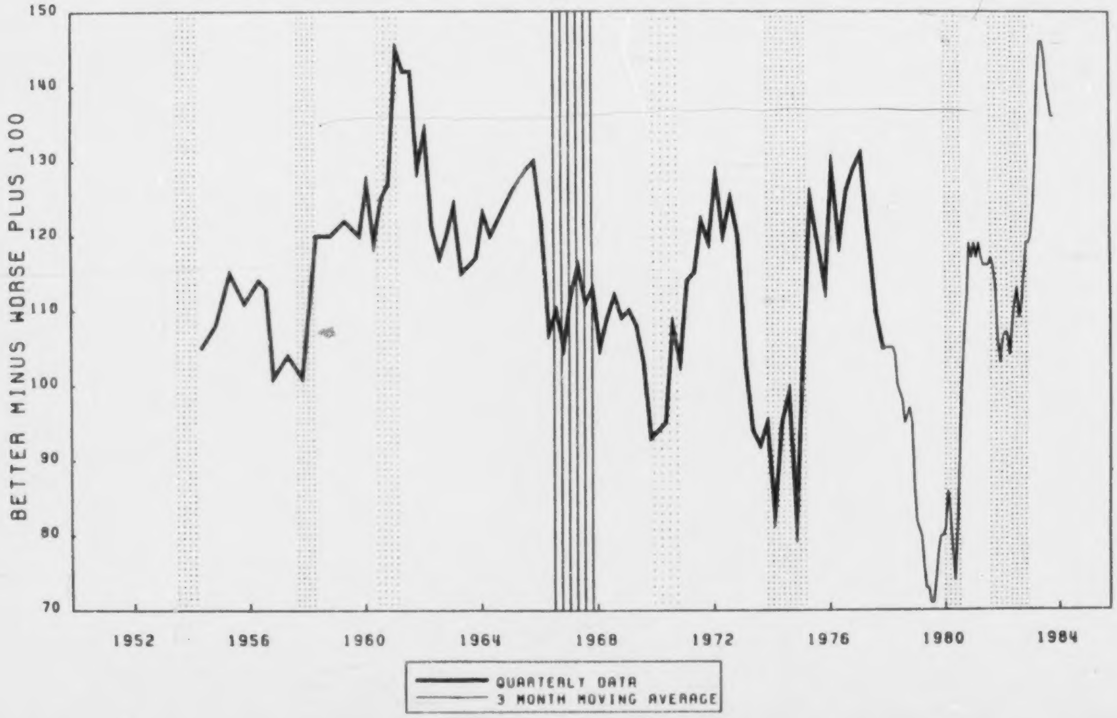


CHART 15 - HISTORICAL SERIES
EXPECTED CHANGE IN BUSINESS CONDITIONS IN A YEAR



## TABLE 15

## EXPECTED CHANGE IN BUSINESS CONDITIONS IN A YEAR

| | Nov. 1982 | Dec. 1982 | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| BETTER | 38% | 39% | 38% | 45% | 51% | 53% | 55% | 49% | 48% | 47% | 46% | 46% | 46% |
| SAME | 41 | 41 | 43 | 40 | 39 | 38 | 38 | 42 | 42 | 42 | 42 | 41 | 43 |
| WORSE | 19 | 20 | 17 | 14 | 9 | 7 | 6 | 7 | 8 | 10 | 10 | 11 | 9 |
| DK,NA | 2 | * | 2 | 1 | 1 | 2 | 1 | 2 | 2 | 1 | 2 | 2 | 2 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 682 | 682 | 682 | 709 | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 |

The question was: "And how about a year from now, do you expect that in the country as a whole business conditions will be better, or worse than they are at present, or just about the same?"

* : Less than half of one percent.

CHART 16A - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUSINESS CONDITIONS IN A YEAR

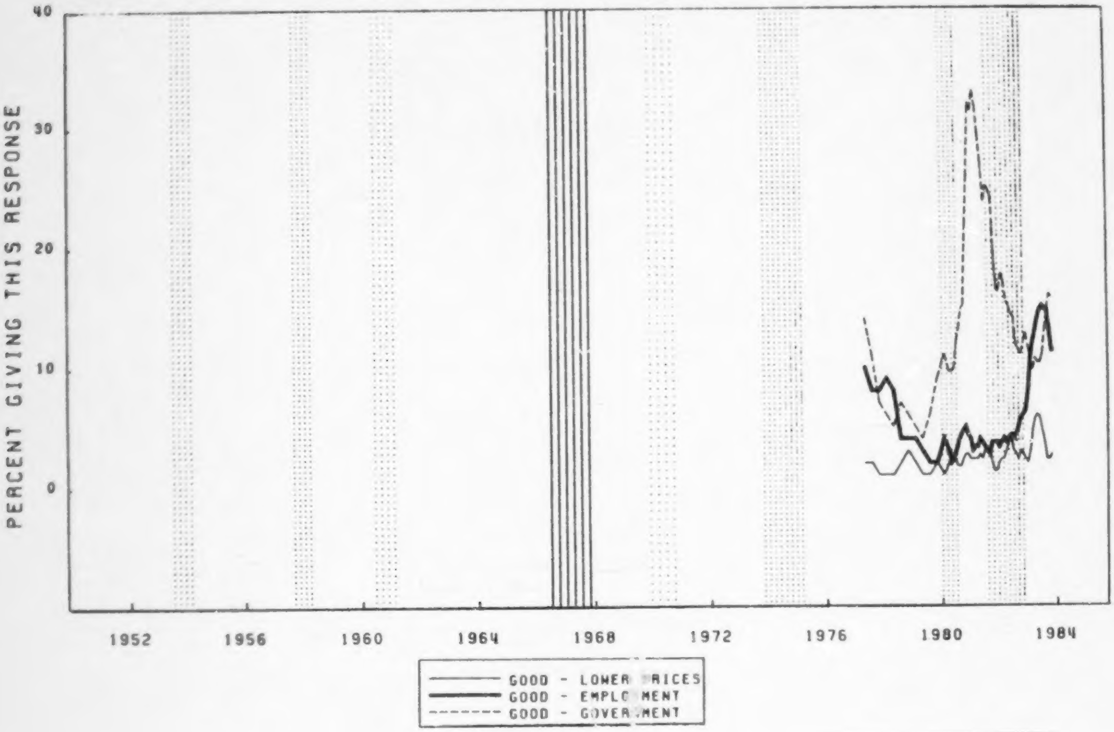
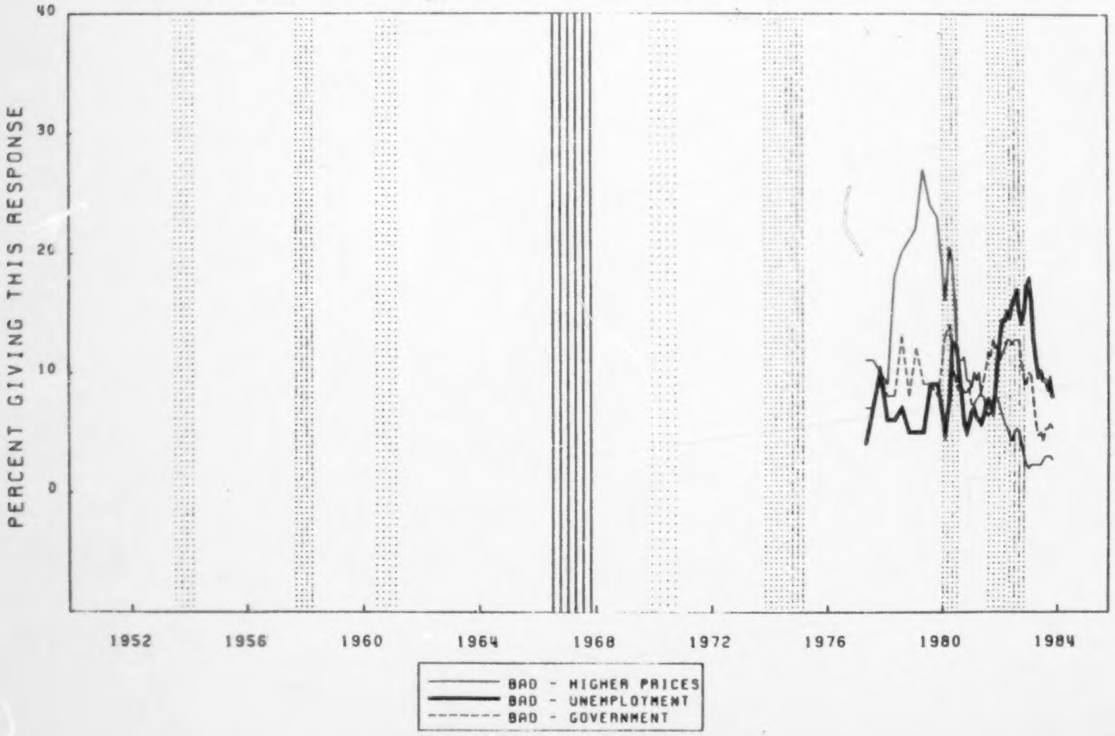


CHART 16B - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUSINESS CONDITIONS IN A YEAR



## TABLE 16

### REASONS FOR OPINIONS ABOUT CHANGES IN BUSINESS CONDITIONS IN A YEAR +

| | Nov. 1982 | Dec. 1982 | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| FAVORABLE REASONS: | | | | | | | | | | | | | |
| Government; elections | 14% | 13% | 8% | 11% | 10% | 11% | 10% | 10% | 13% | 16% | 15% | 17% | 15% |
| Employment | 5 | 8 | 11 | 13 | 12 | 14 | 16 | 14 | 15 | 15 | 14 | 10 | 10 |
| Higher consumer demand | 4 | 6 | 5 | 7 | 6 | 9 | 10 | 9 | 7 | 6 | 7 | 8 | 8 |
| Lower prices | 1 | 2 | 3 | 4 | 7 | 6 | 5 | 6 | 3 | 2 | 2 | 3 | 2 |
| Easier credit | 12 | 12 | 12 | 12 | 13 | 14 | 12 | 12 | 7 | 6 | 5 | 6 | 4 |
| UNFAVORABLE REASONS: | | | | | | | | | | | | | |
| Government; elections | 8 | 11 | 11 | 7 | 5 | 5 | 4 | 6 | 4 | 6 | 6 | 5 | 5 |
| Unemployment | 18 | 20 | 15 | 13 | 10 | 10 | 9 | 11 | 8 | 9 | 9 | 10 | 8 |
| Lower consumer demand | 5 | 5 | 4 | 4 | 2 | 4 | 2 | 2 | 4 | 3 | 1 | 3 | 2 |
| Higher prices | 2 | 2 | 2 | 3 | 2 | 2 | 3 | 2 | 3 | 4 | 2 | 3 | 3 |
| Tighter credit | 3 | 2 | 2 | 2 | 1 | 2 | 2 | 3 | 4 | 3 | 2 | 2 | 2 |
| Energy crisis | * | * | * | * | * | * | * | * | * | * | * | * | * |

The question was: "Why do you expect business conditions to be better/the same/worse a year from now?" following the question on table 15.

+ : May add to more than 100% due to multiple mentions.

* : Less than half of one percent.

CHART 17 - RECENT CHANGES

TREND IN PAST AND EXPECTED BUSINESS CONDITIONS

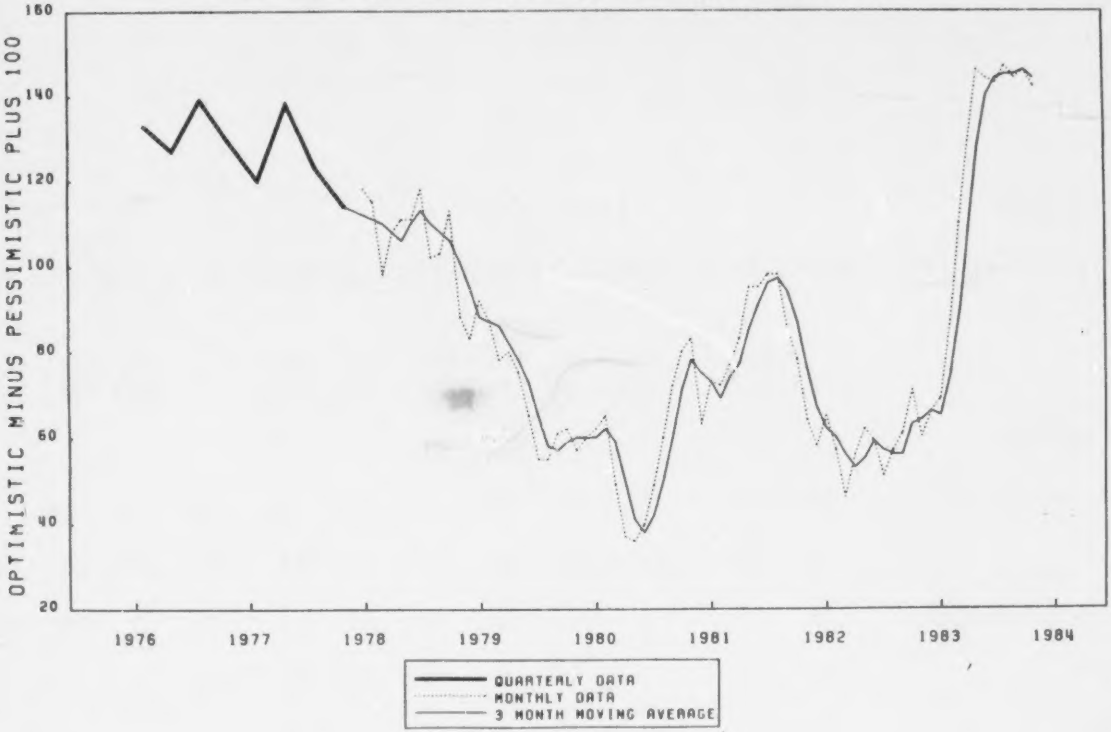
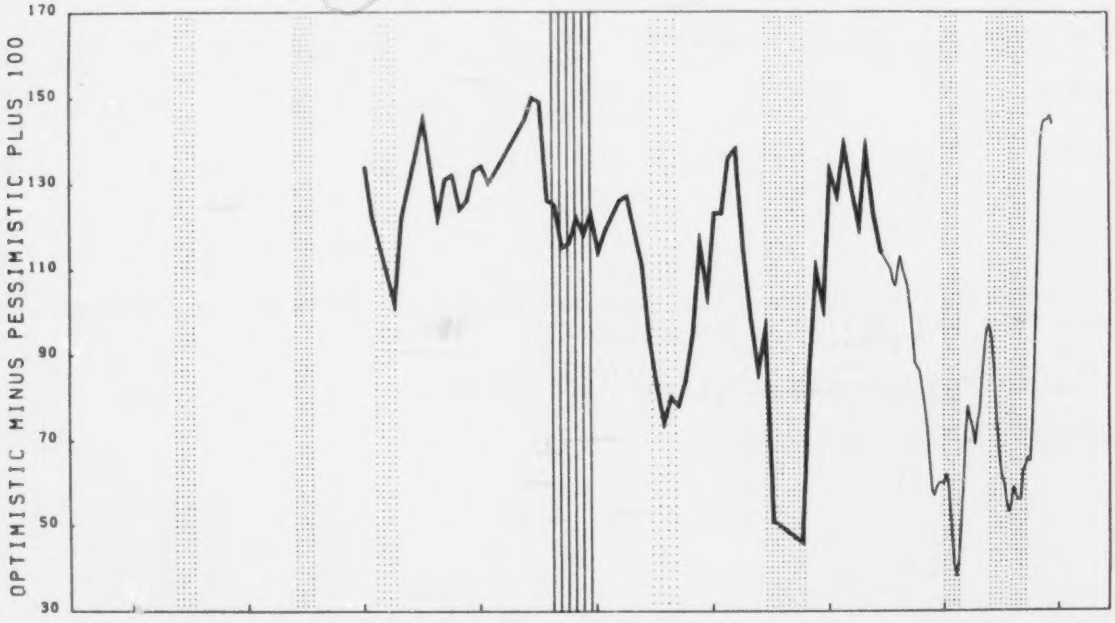


CHART 17 - HISTORICAL SERIES

TREND IN PAST AND EXPECTED BUSINESS CONDITIONS



## TABLE 17

## TREND IN PAST AND EXPECTED CHANGES IN BUSINESS CONDITIONS

| | Nov. 1982 | Dec. 1982 | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| TREND: | | | | | | | | | | | | | |
| Continuous increase (a) | 8% | 8% | 11% | 18% | 28% | 36% | 42% | 39% | 39% | 38% | 34% | 39% | 36% |
| Intermittent increase (b) | 7 | 9 | 9 | 11 | 15 | 18 | 23 | 26 | 24 | 27 | 28 | 26 | 27 |
| Remain unchanged (c) | 1 | 4 | 3 | 4 | 4 | 5 | 5 | 5 | 5 | 6 | 7 | 5 | 4 |
| Intermittent decline (d) | 37 | 33 | 35 | 29 | 25 | 19 | 14 | 16 | 15 | 12 | 12 | 13 | 17 |
| Continuous decline (e) | 18 | 18 | 16 | 13 | 8 | 6 | 5 | 5 | 5 | 6 | 6 | 6 | 4 |
| Mixed change (f) | 27 | 27 | 24 | 23 | 18 | 14 | 10 | 7 | 9 | 9 | 10 | 7 | 9 |
| DK,NA | 2 | 1 | 2 | 2 | 2 | 2 | 1 | 2 | 3 | 2 | 3 | 4 | 3 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 682 | 682 | 682 | 709 | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 |

Combination of the responses to the questions on Tables 14 and 15.

Key: (a) Better than a year ago/Better a year from now
(b) Better/Same or Same/Better
(c) Same/Same
(d) Worse/Same or Same/Worse
(e) Worse/Worse
(f) Worse/Better or Better/Worse

CHART 18 - RECENT CHANGES
BUSINESS CONDITIONS EXPECTED DURING THE NEXT TWELVE MONTHS

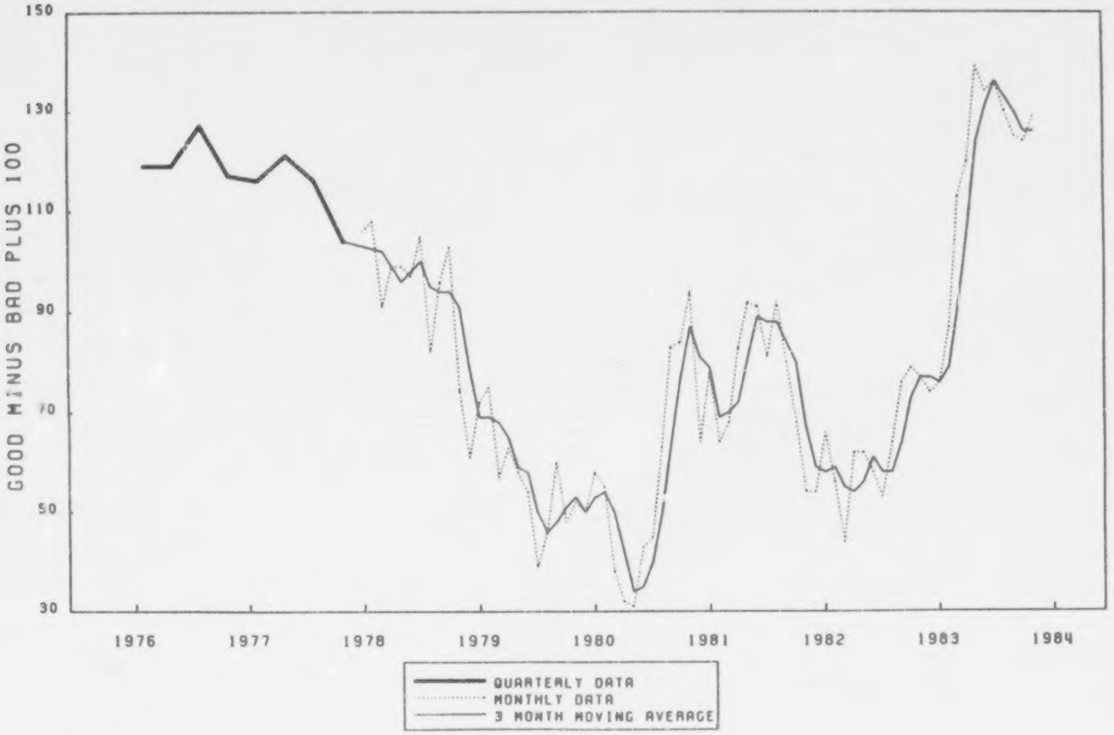
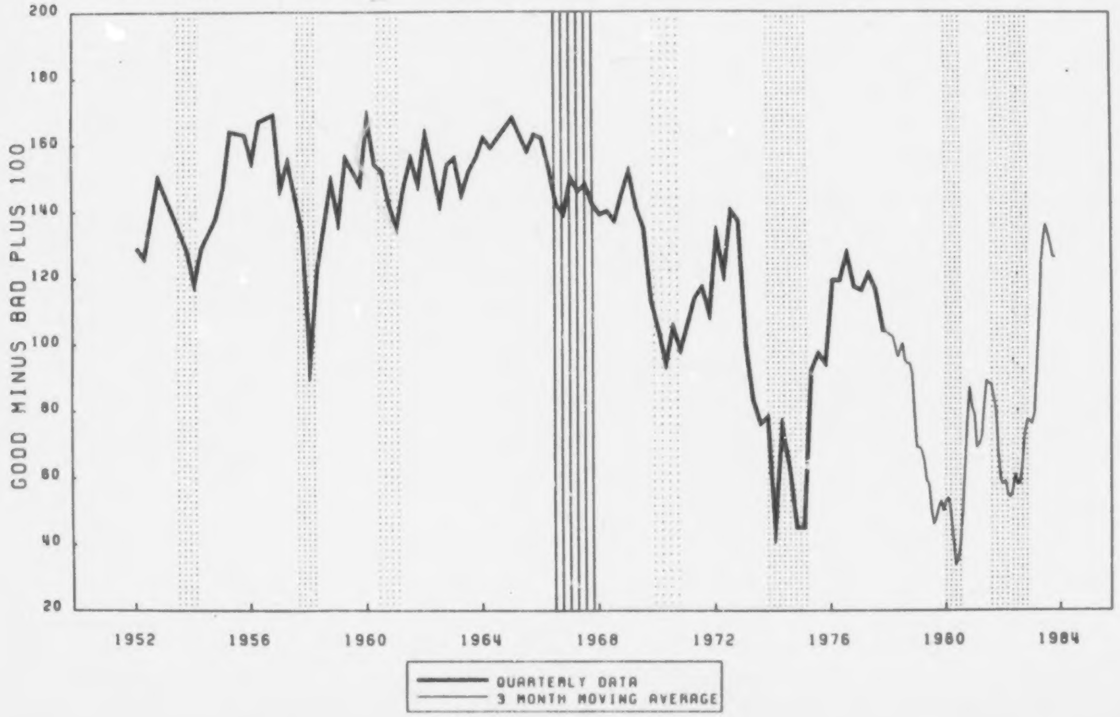


CHART 18 - HISTORICAL SERIES
BUSINESS CONDITIONS EXPECTED DURING THE NEXT TWELVE MONTHS



## TABLE 18

## BUSINESS CONDITIONS EXPECTED DURING THE NEXT 12 MONTHS

| | Nov. 1982 | Dec. 1982 | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| GOOD TIMES | 33% | 32% | 34% | 39% | 52% | 56% | 65% | 63% | 63% | 60% | 58% | 58% | 59% |
| UNCERTAIN; GOOD & BAD | 4 | 2 | 1 | 1 | 2 | 1 | 2 | 3 | 3 | 3 | 2 | 3 | 3 |
| BAD TIMES | 56 | 58 | 58 | 52 | 39 | 36 | 26 | 29 | 27 | 30 | 33 | 34 | 30 |
| DON'T KNOW | 3 | 5 | 3 | 3 | 4 | 3 | 4 | 3 | 6 | 5 | 5 | 4 | 6 |
| NOT ASCERTAINED | 4 | 3 | 4 | 5 | 3 | 4 | 3 | 2 | 1 | 2 | 2 | 1 | 2 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 682 | 682 | 682 | 709 | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 |

The question was: "Now turning to business conditions in the country as a whole--do you think that during the next 12 months we'll have good times financially, or bad times or what?"

CHART 19 - RECENT CHANGES
BUSINESS CONDITIONS EXPECTED FOR THE NEXT FIVE YEARS

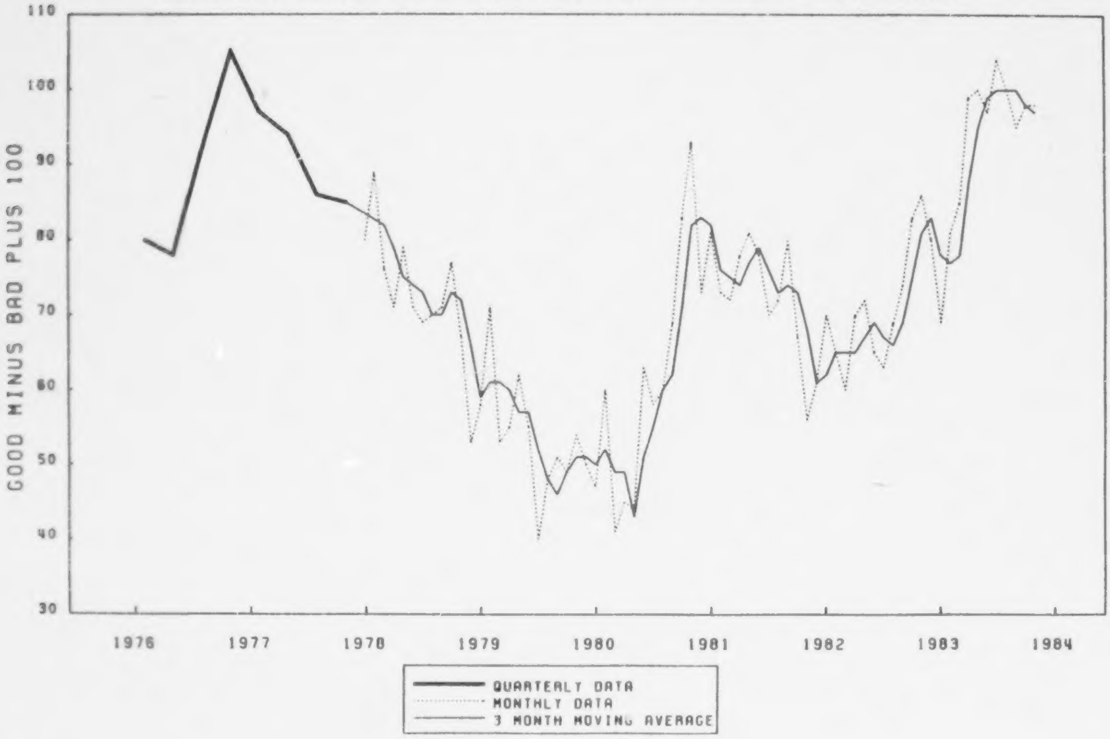
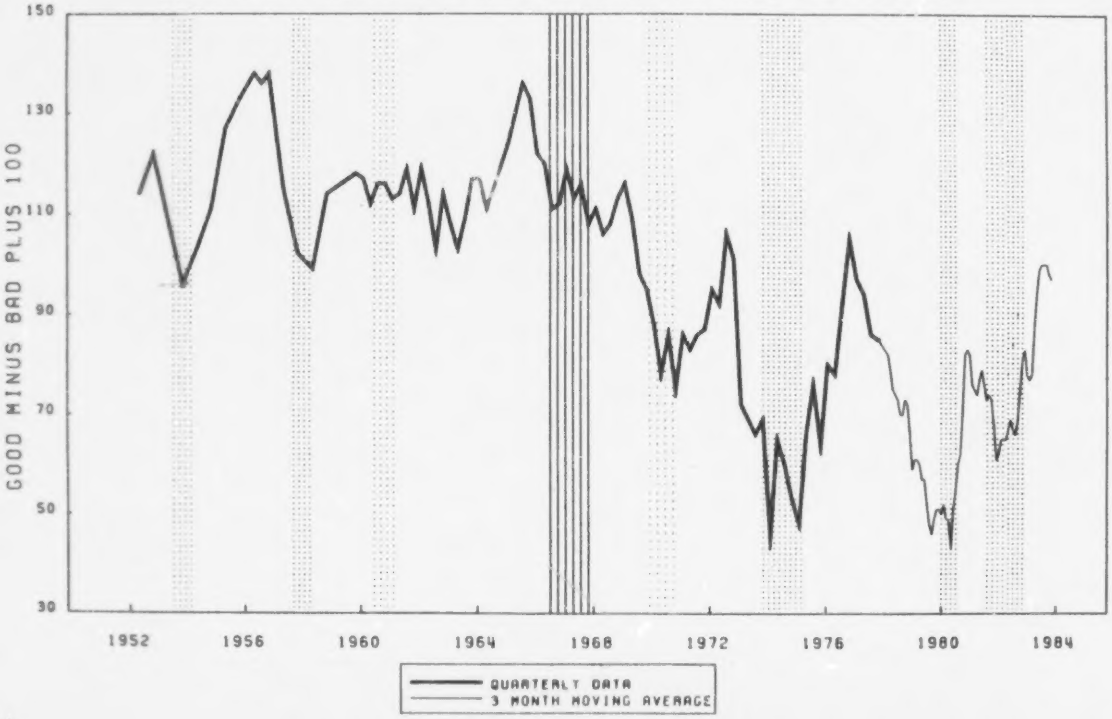


CHART 19 - HISTORICAL SERIES
BUSINESS CONDITIONS EXPECTED FOR THE NEXT FIVE YEARS



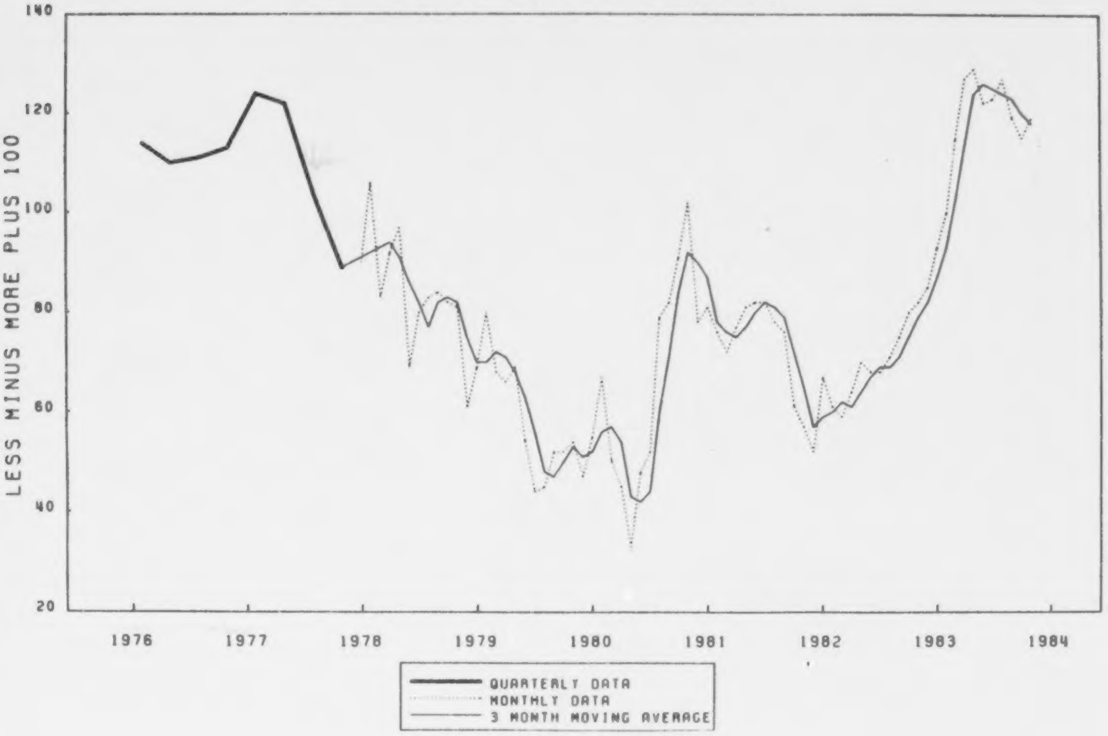
## TABLE 19

## BUSINESS CONDITIONS EXPECTED DURING THE NEXT FIVE YEARS

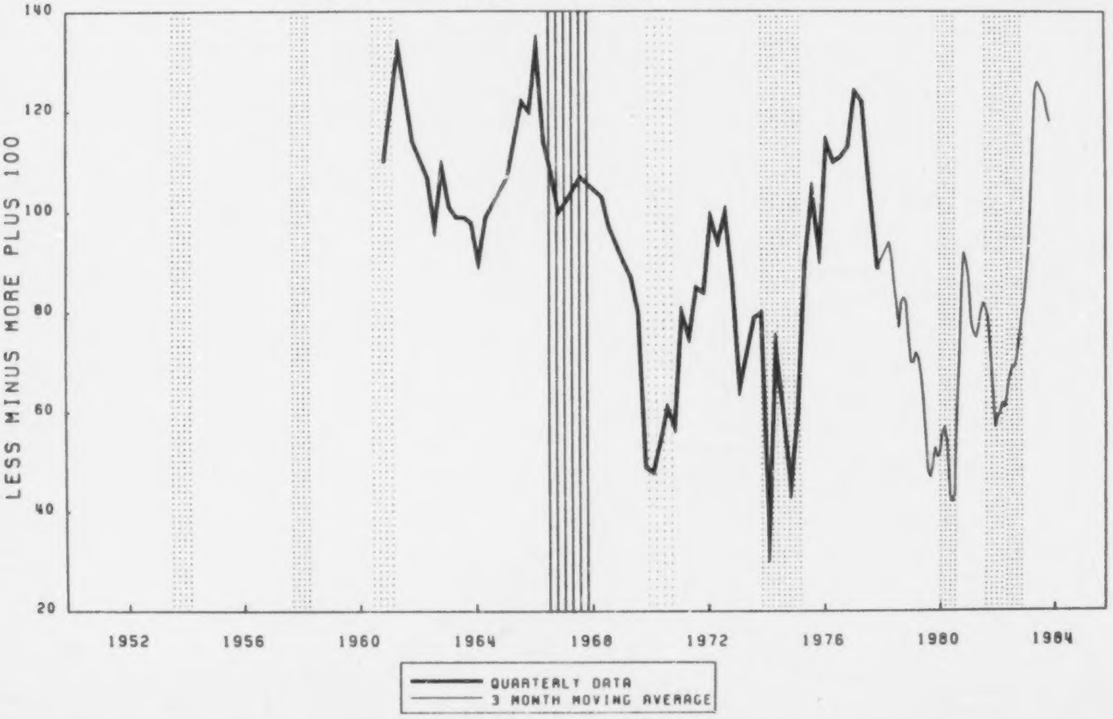
| | Nov. 1982 | Dec. 1982 | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| GOOD TIMES | 33% | 29% | 26% | 31% | 33% | 38% | 39% | 39% | 39% | 37% | 37% | 39% | 39% |
| UNCERTAIN; GOOD & BAD | 14 | 14 | 12 | 13 | 15 | 18 | 18 | 15 | 20 | 22 | 19 | 17 | 15 |
| BAD TIMES | 47 | 49 | 57 | 50 | 48 | 39 | 39 | 42 | 35 | 37 | 42 | 41 | 41 |
| NOT ASCERTAINED | 6 | 8 | 5 | 6 | 4 | 5 | 4 | 4 | 6 | 4 | 2 | 3 | 5 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 682 | 682 | 682 | 709 | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 |

The question was: "Looking ahead, which would you say is more likely--that in the country as a whole we'll have continuous good times during the next 5 years or so, or that we will have periods of widespread unemployment or depression, or what?"

## CHART 20 - RECENT CHANGES
## EXPECTED CHANGE IN UNEMPLOYMENT



## CHART 20 - HISTORICAL SERIES
## EXPECTED CHANGE IN UNEMPLOYMENT



## TABLE 20

## EXPECTED CHANGE IN UNEMPLOYMENT

| | Nov. 1982 | Dec. 1982 | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| LESS | 19% | 22% | 23% | 29% | 36% | 42% | 42% | 37% | 39% | 42% | 36% | 35% | 35% |
| SAME | 42 | 40 | 45 | 41 | 43 | 41 | 44 | 47 | 44 | 40 | 46 | 44 | 47 |
| MORE | 37 | 37 | 30 | 29 | 21 | 15 | 13 | 15 | 16 | 15 | 17 | 20 | 16 |
| DK,NA | 2 | 1 | 2 | 1 | * | 2 | 1 | 1 | 1 | 3 | 1 | 1 | 2 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 682 | 682 | 682 | 709 | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 |

The question was: "How about people out of work during the coming 12 months--do you think that there will be more unemployment than now, about the same, or less?"

* : Less than half of one percent.

CHART 21 - RECENT CHANGES
EXPECTED CHANGE IN INTEREST RATES

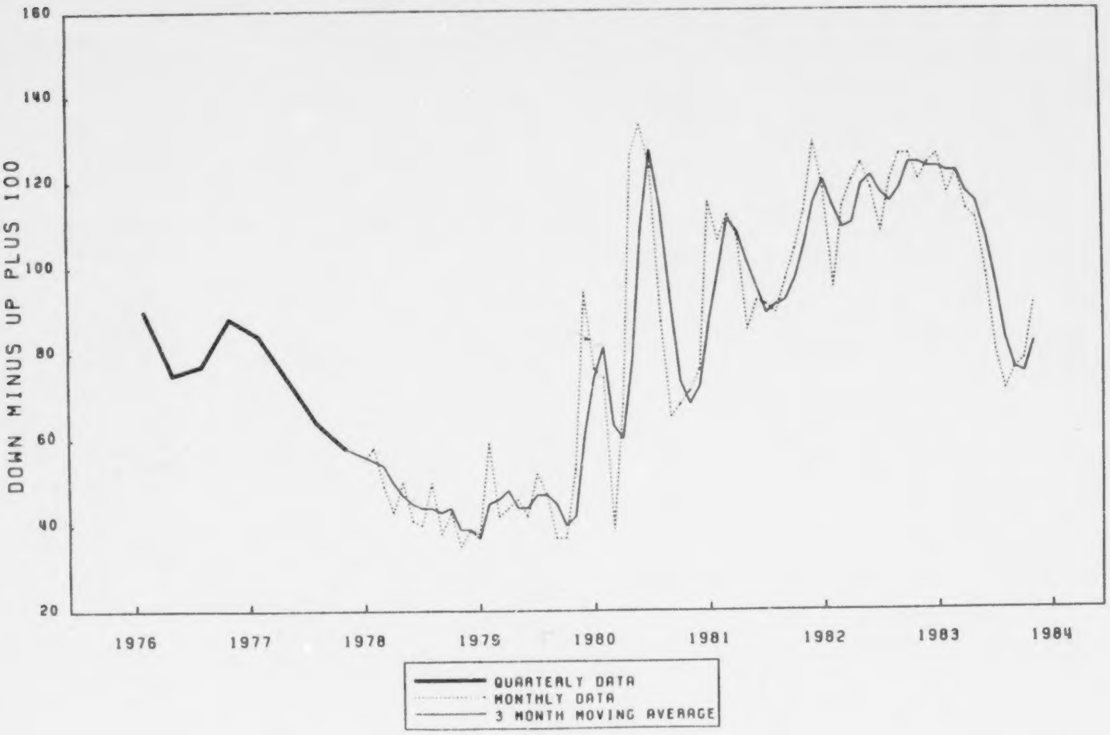
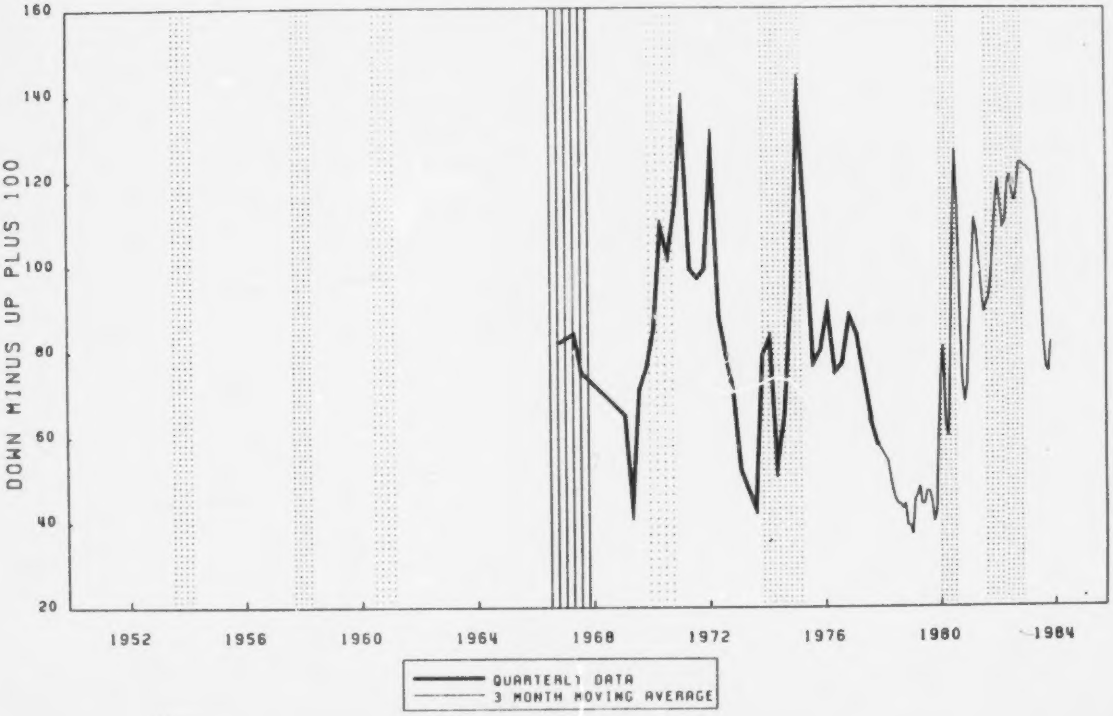


CHART 21 - HISTORICAL SERIES
EXPECTED CHANGE IN INTEREST RATES



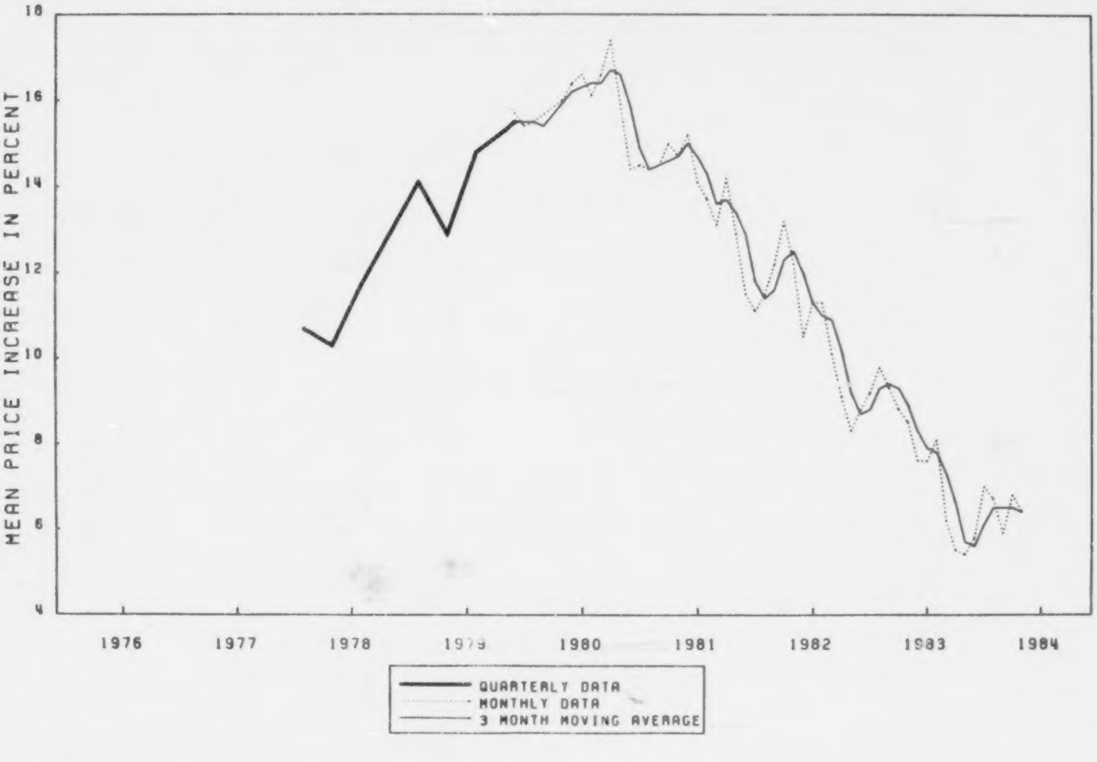
# TABLE 21

## EXPECTED CHANGE IN INTEREST RATES

| | Nov. 1982 | Dec. 1982 | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| GO UP | 25% | 20% | 18% | 24% | 19% | 21% | 20% | 29% | 40% | 47% | 44% | 43% | 33% |
| STAY THE SAME | 26 | 33 | 35 | 32 | 38 | 42 | 47 | 42 | 37 | 32 | 33 | 33 | 40 |
| GO DOWN | 45 | 44 | 44 | 41 | 41 | 34 | 31 | 27 | 20 | 18 | 20 | 21 | 24 |
| DK,NA | 4 | 3 | 3 | 3 | 2 | 3 | 2 | 2 | 3 | 3 | 3 | 3 | 3 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 682 | 682 | 682 | 709 | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 |

The question was: "No one can say for sure, but what do you think will happen to interest rates for borrowing money during the next 12 months--will they go up, stay the same, or go down?"

CHART 22 - RECENT CHANGES
CHANGE IN PRICES DURING THE LAST 12 MONTHS



## TABLE 22

## CHANGE IN PRICES DURING THE LAST 12 MONTHS

| | Nov. 1982 | Dec. 1982 | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| SAME OR DOWN | 20% | 20% | 23% | 24% | 31% | 30% | 31% | 29% | 23% | 25% | 25% | 21% | 24% |
| GONE UP BY: | | | | | | | | | | | | | |
| 1-2% | 5 | 6 | 7 | 5 | 6 | 8 | 9 | 8 | 8 | 8 | 11 | 8 | 9 |
| 3-4% | 9 | 9 | 11 | 10 | 10 | 10 | 13 | 13 | 14 | 14 | 13 | 14 | 13 |
| 5% | 15 | 17 | 17 | 15 | 12 | 17 | 13 | 14 | 13 | 16 | 15 | 16 | 15 |
| 6-9% | 12 | 12 | 9 | 10 | 9 | 9 | 8 | 11 | 11 | 8 | 7 | 11 | 8 |
| 10-14% | 14 | 17 | 15 | 14 | 15 | 11 | 14 | 11 | 13 | 13 | 12 | 14 | 14 |
| 15% or more | 18 | 14 | 12 | 16 | 11 | 9 | 8 | 10 | 11 | 11 | 9 | 11 | 9 |
| DK how much up | 6 | 5 | 5 | 5 | 5 | 5 | 4 | 3 | 6 | 5 | 7 | 4 | 7 |
| DK,NA | 1 | * | 1 | 1 | 1 | 1 | * | 1 | 1 | * | 1 | 1 | 1 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| MEAN INCREASE | 8.5 | 7.6 | 7.6 | 8.1 | 6.2 | 5.5 | 5.4 | 5.8 | 7.0 | 6.7 | 5.9 | 6.8 | 6.4 |
| VARIANCE | 102 | 82 | 108 | 113 | 71 | 64 | 61 | 65 | 88 | 93 | 71 | 81 | 76 |
| CASES | 682 | 682 | 682 | 709 | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 |

The questions were: "During the last 12 months, have prices of the things you buy remained unchanged, or have they gone up, or have they gone down?" and "By about what percent do you think prices have gone up,on the average, during the last 12 months?"

* : Less than half of one percent.

CHART 23 - RECENT CHANGES

MEAN EXPECTED PRICE INCREASE OVER THE NEXT 12 MONTHS

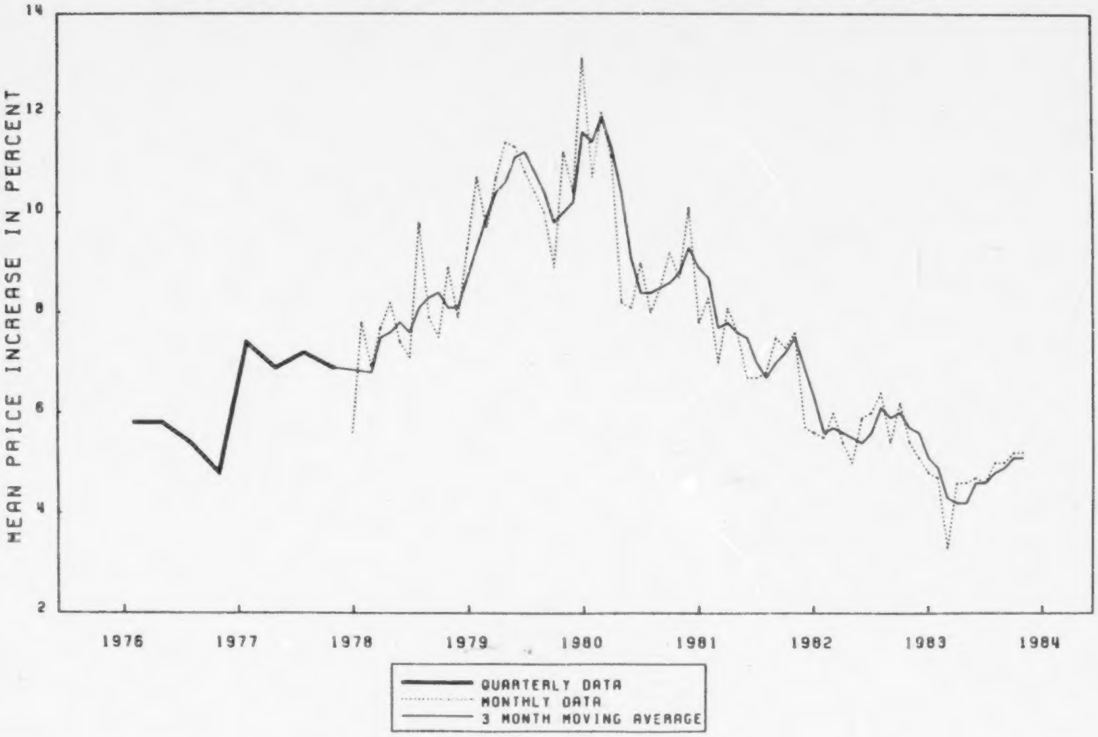
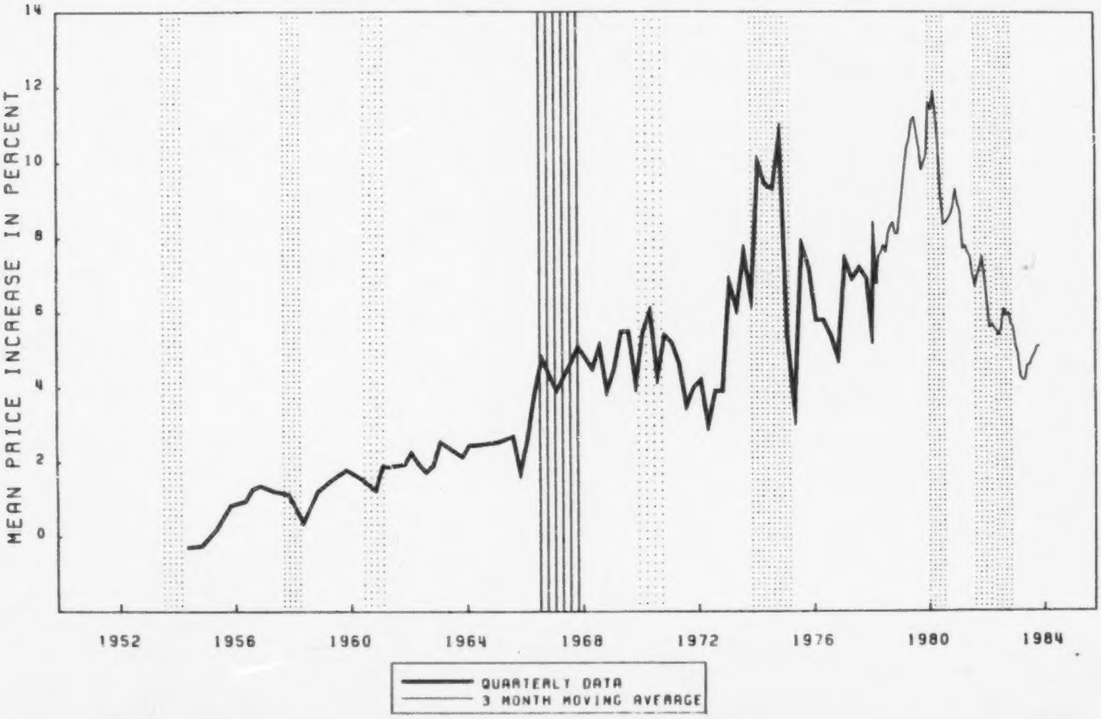


CHART 23 - HISTORICAL SERIES

MEAN EXPECTED PRICE INCREASE OVER THE NEXT 12 MONTHS



## TABLE 23

## EXPECTED CHANGE IN PRICES DURING THE NEXT 12 MONTHS

| | Nov. 1982 | Dec. 1982 | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| SAME OR DOWN | 32% | 33% | 35% | 36% | 44% | 30% | 32% | 33% | 29% | 23% | 28% | 24% | 25% |
| WILL GO UP BY: | | | | | | | | | | | | | |
| 1-2% | 5 | 6 | 10 | 8 | 9 | 10 | 9 | 8 | 12 | 14 | 13 | 12 | 12 |
| 3-4% | 10 | 13 | 11 | 12 | 12 | 13 | 13 | 15 | 15 | 16 | 14 | 15 | 14 |
| 5% | 15 | 15 | 16 | 15 | 14 | 17 | 17 | 16 | 15 | 16 | 16 | 15 | 16 |
| 6-9% | 11 | 9 | 7 | 9 | 5 | 10 | 10 | 9 | 9 | 9 | 7 | 10 | 9 |
| 10-14% | 12 | 11 | 9 | 8 | 8 | 9 | 10 | 9 | 9 | 9 | 10 | 11 | 11 |
| 15% or more | 9 | 8 | 7 | 7 | 4 | 5 | 5 | 6 | 6 | 6 | 7 | 8 | 6 |
| DK how much up | 3 | 3 | 3 | 3 | 3 | 4 | 3 | 3 | 3 | 5 | 4 | 4 | 5 |
| DK,NA | 3 | 2 | 2 | 2 | 1 | 2 | 1 | 1 | 2 | 2 | 1 | 1 | 2 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| MEAN INCREASE | 5.4 | 5.1 | 4.8 | 4.7 | 3.3 | 4.6 | 4.6 | 4.7 | 4.6 | 5.0 | 5.0 | 5.2 | 5.2 |
| VARIANCE | 55 | 56 | 67 | 60 | 33 | 45 | 49 | 54 | 44 | 47 | 51 | 36 | 54 |
| CASES | 682 | 682 | 682 | 709 | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 |

The questions were: "During the next 12 months, do you think that prices in general will go up, or go down, or stay where they are now?" and "By about what percent do you expect prices to go up, on the average, during the next 12 months?"

CHART 24 - RECENT CHANGES
UNEMPLOYMENT OR INFLATION MORE SERIOUS

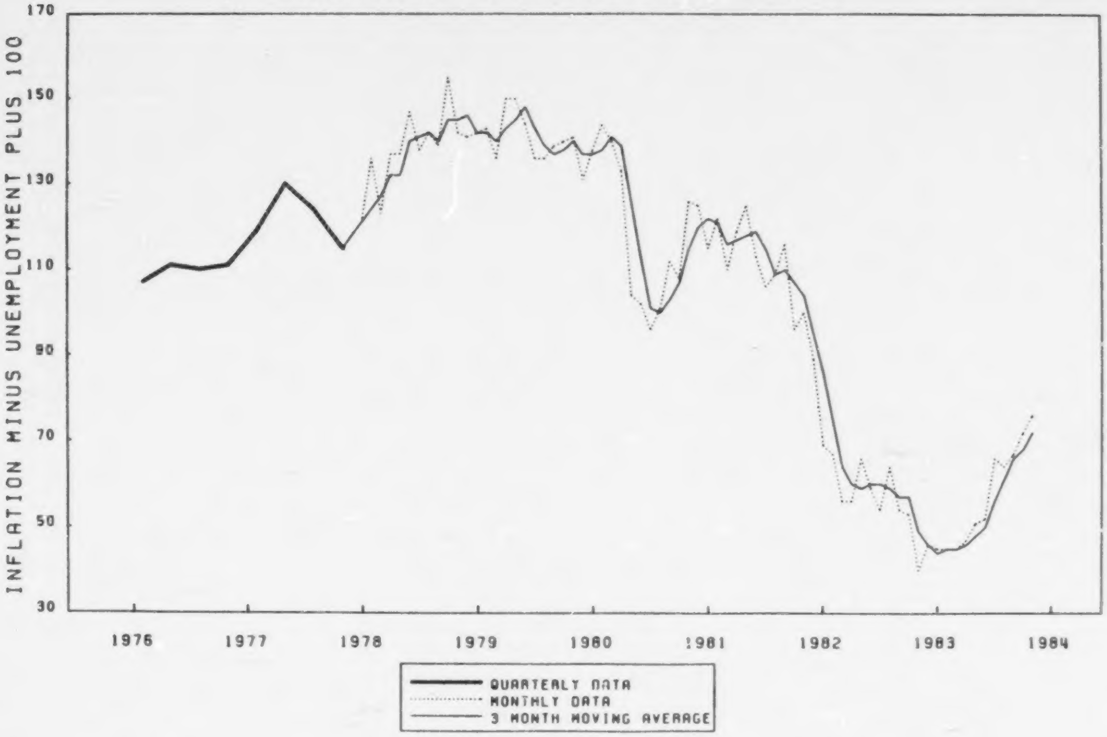
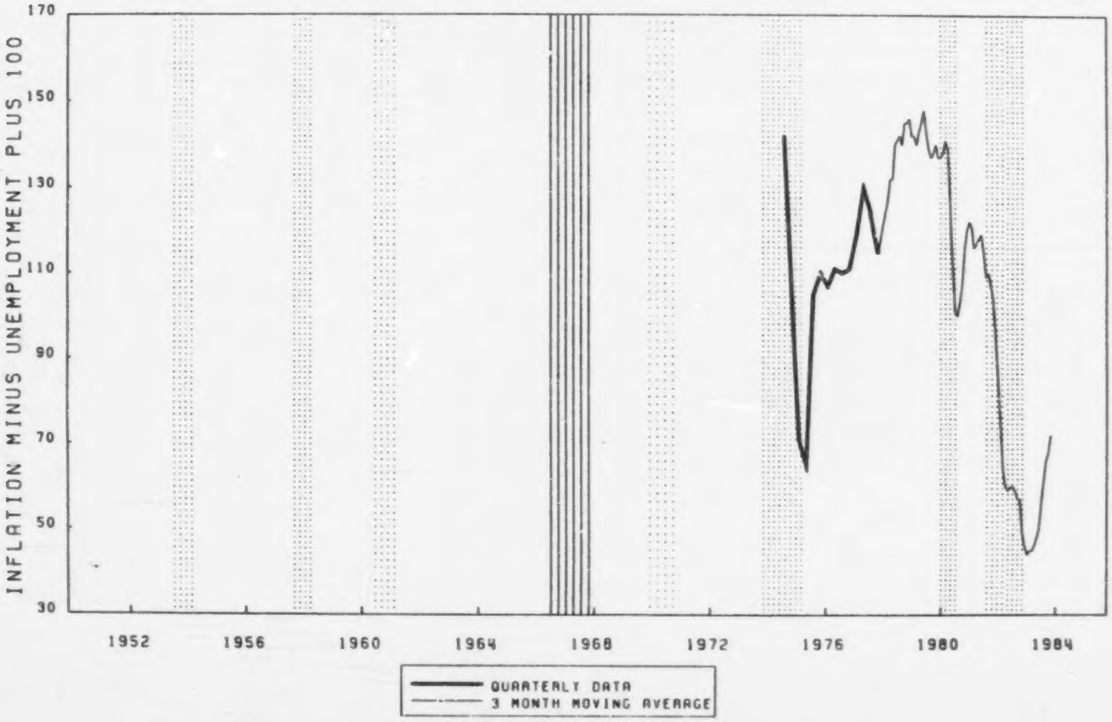


CHART 24 - HISTORICAL SERIES
UNEMPLOYMENT OR INFLATION MORE SERIOUS



## TABLE 24

## UNEMPLOYMENT OR INFLATION MORE SERIOUS ECONOMIC HARDSHIP

| | Nov. 1982 | Dec. 1982 | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| UNEMPLOYMENT | 76% | 72% | 74% | 73% | 73% | 73% | 71% | 70% | 63% | 65% | 62% | 61% | 57% |
| BOTH EQUALLY SERIOUS | 7 | 9 | 5 | 8 | 8 | 6 | 6 | 7 | 6 | 5 | 8 | 5 | 7 |
| INFLATION | 16 | 18 | 19 | 18 | 18 | 20 | 22 | 22 | 29 | 29 | 29 | 33 | 33 |
| DK,NA | 1 | 1 | 2 | 1 | 1 | 1 | 1 | 1 | 2 | 1 | 1 | 1 | 3 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 682 | 682 | 682 | 709 | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 |

The question was: "Which of the two problems--unemployment or inflation--do you think will cause the more serious economic hardship for people during the next year or so?"

CHART 25 - RECENT CHANGES
OPINIONS ABOUT THE GOVERNMENT'S ECONOMIC POLICY

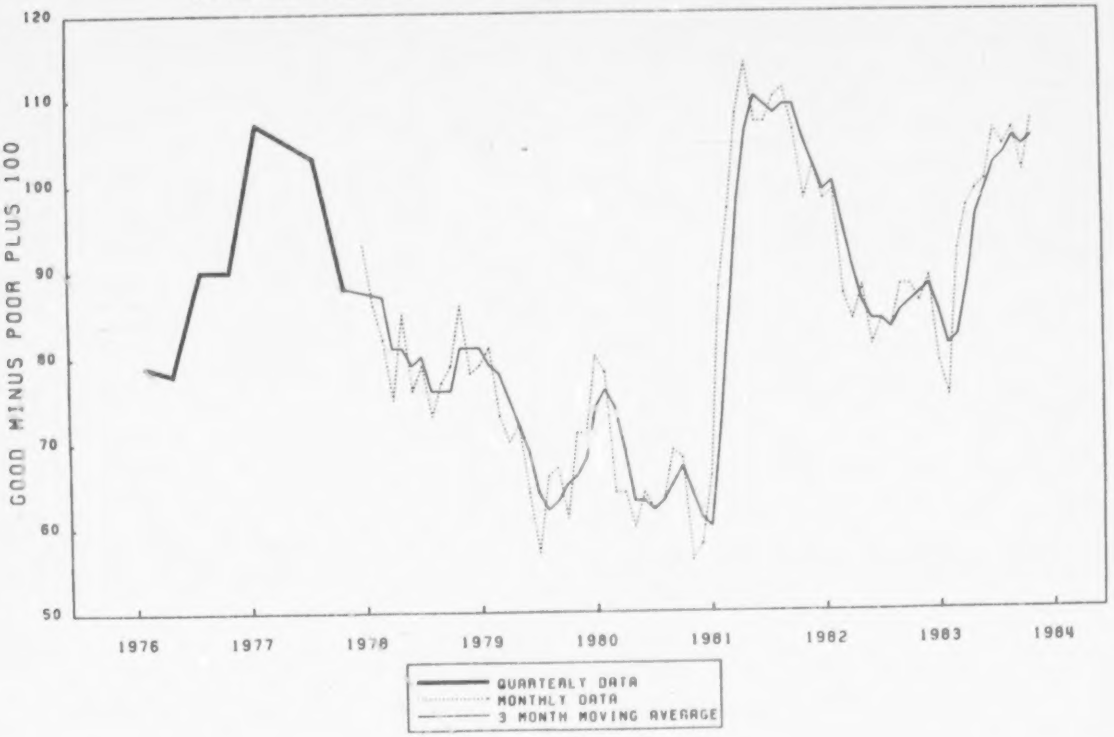
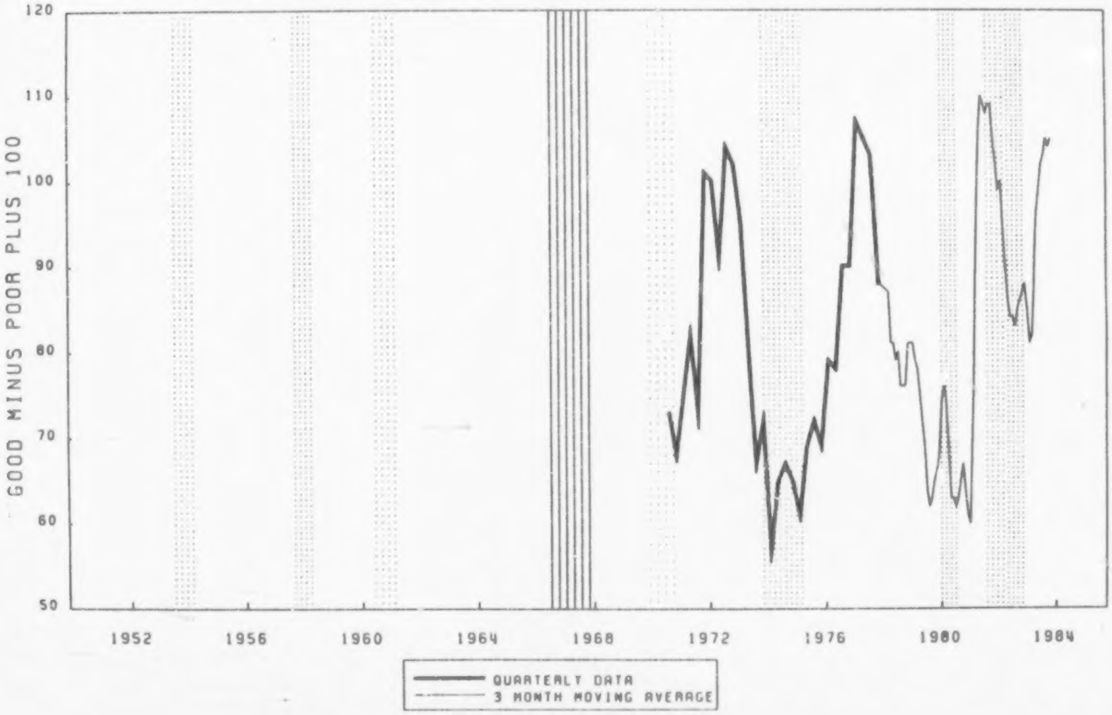


CHART 25 - HISTORICAL SERIES
OPINIONS ABOUT THE GOVERNMENT'S ECONOMIC POLICY



## TABLE 25

## OPINIONS ABOUT THE GOVERNMENT'S ECONOMIC POLICY

| | Nov. 1982 | Dec. 1982 | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| A GOOD JOB | 19% | 19% | 16% | 16% | 21% | 21% | 20% | 23% | 27% | 27% | 27% | 25% | 27% |
| ONLY FAIR | 45 | 47 | 45 | 40 | 48 | 53 | 57 | 52 | 51 | 48 | 50 | 50 | 49 |
| A POOR JOB | 33 | 30 | 37 | 41 | 29 | 24 | 21 | 23 | 21 | 23 | 21 | 24 | 20 |
| DK,NA | 3 | 4 | 2 | 3 | 2 | 2 | 2 | 2 | 1 | 2 | 2 | 1 | 4 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 682 | 682 | 682 | 709 | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 |

The question was: "As to the economic policy of the government--I mean steps taken to fight inflation or unemployment--would you say the government is doing a good job, only fair, or a poor job?"

CHART 26 - RECENT CHANGES
BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS

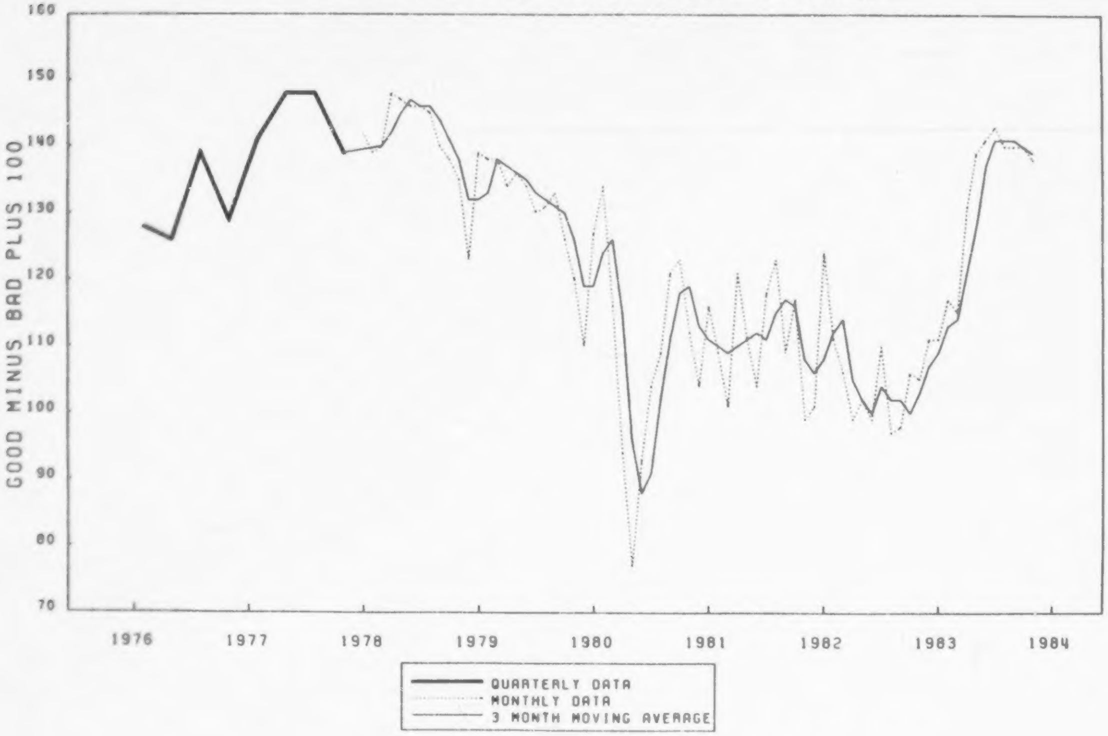
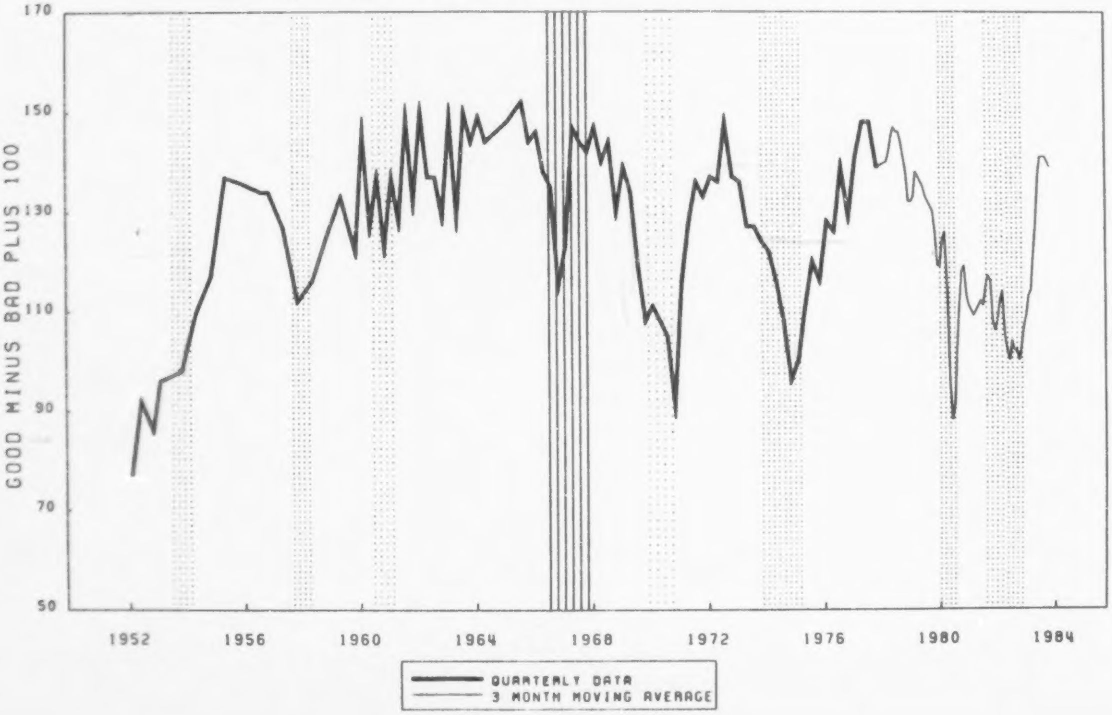


CHART 26 - HISTORICAL SERIES
BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS



## TABLE 26

## BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS

| | Nov. 1982 | Dec. 1982 | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| GOOD TIME TO BUY | 47% | 50% | 51% | 54% | 53% | 61% | 67% | 66% | 67% | 64% | 66% | 65% | 64% |
| UNCERTAIN, DEPENDS | 11 | 11 | 9 | 9 | 9 | 9 | 5 | 9 | 9 | 12 | 8 | 10 | 10 |
| BAD TIME TO BUY | 42 | 39 | 40 | 37 | 38 | 30 | 28 | 25 | 24 | 24 | 26 | 25 | 26 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 682 | 682 | 682 | 709 | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 |

The question was: "About the big things people buy for their homes--such as furniture, a refrigerator, stove, television, and things like that. Generally speaking, do you think now is a good or a bad time for people to buy major household items?"

CHART 27A - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR DURABLES

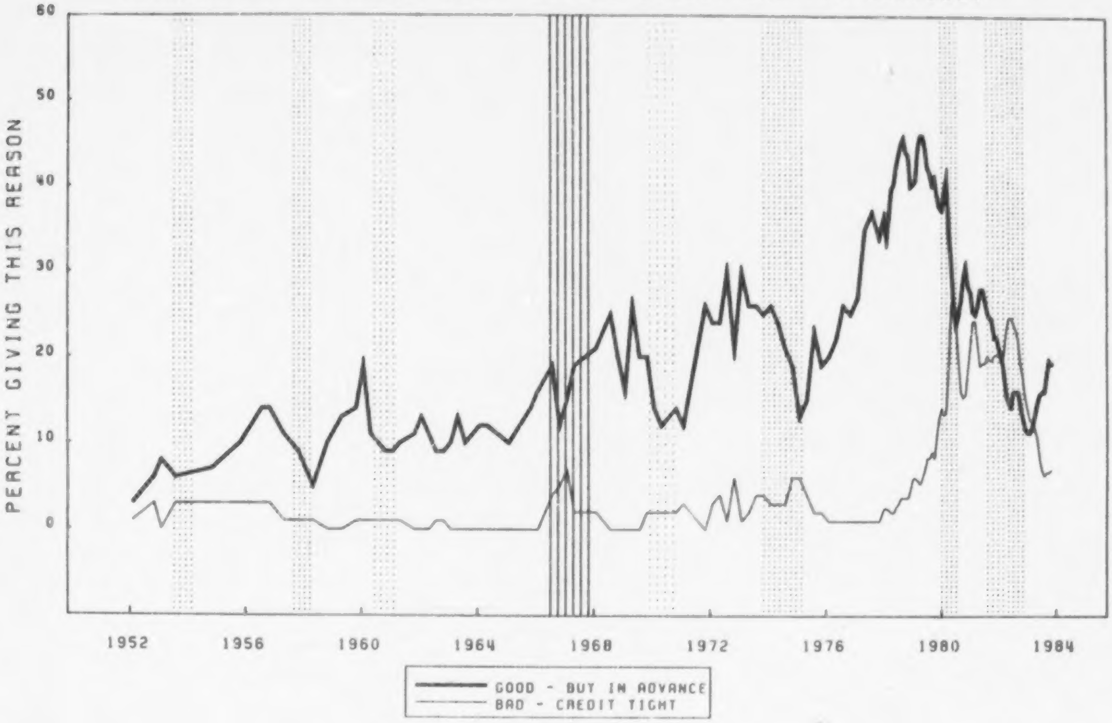
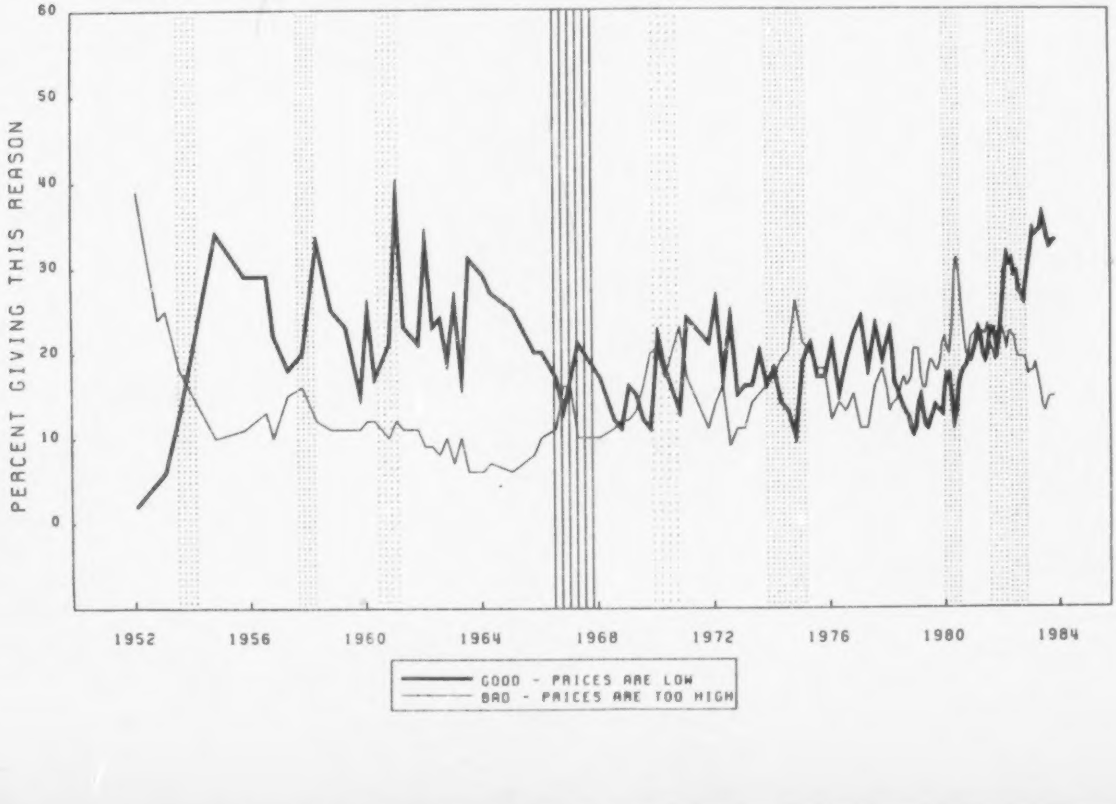


CHART 27B - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR DURABLES



## TABLE 27

## SELECTED REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS +

| | Nov. 1982 | Dec. 1982 | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| GOOD TIME TO BUY: | | | | | | | | | | | | | |
| Prices are low; good buys available | 31% | 32% | 33% | 38% | 30% | 36% | 37% | 35% | 32% | 33% | 32% | 33% | 34% |
| Prices won't come down; are going higher | 11 | 10 | 13 | 11 | 12 | 15 | 17 | 15 | 16 | 17 | 21 | 21 | 16 |
| Interest rates low; credit is easy | 5 | 8 | 7 | 8 | 12 | 14 | 13 | 16 | 13 | 12 | 12 | 7 | 8 |
| BAD TIME TO BUY: | | | | | | | | | | | | | |
| Prices are high | 18 | 16 | 19 | 18 | 19 | 16 | 12 | 13 | 14 | 15 | 15 | 14 | 15 |
| Interest rates are high; credit is tight | 17 | 13 | 12 | 13 | 13 | 11 | 8 | 6 | 7 | 6 | 7 | 7 | 7 |
| Lack of purchasing power | 24 | 21 | 22 | 16 | 18 | 15 | 16 | 12 | 9 | 11 | 11 | 12 | 8 |

Responses to the query: "Why do you say so?" following the question on Table 26.

+ : May add to more than 100% due to multiple mentions.

CHART 28 - RECENT CHANGES
BUYING CONDITIONS FOR HOUSES

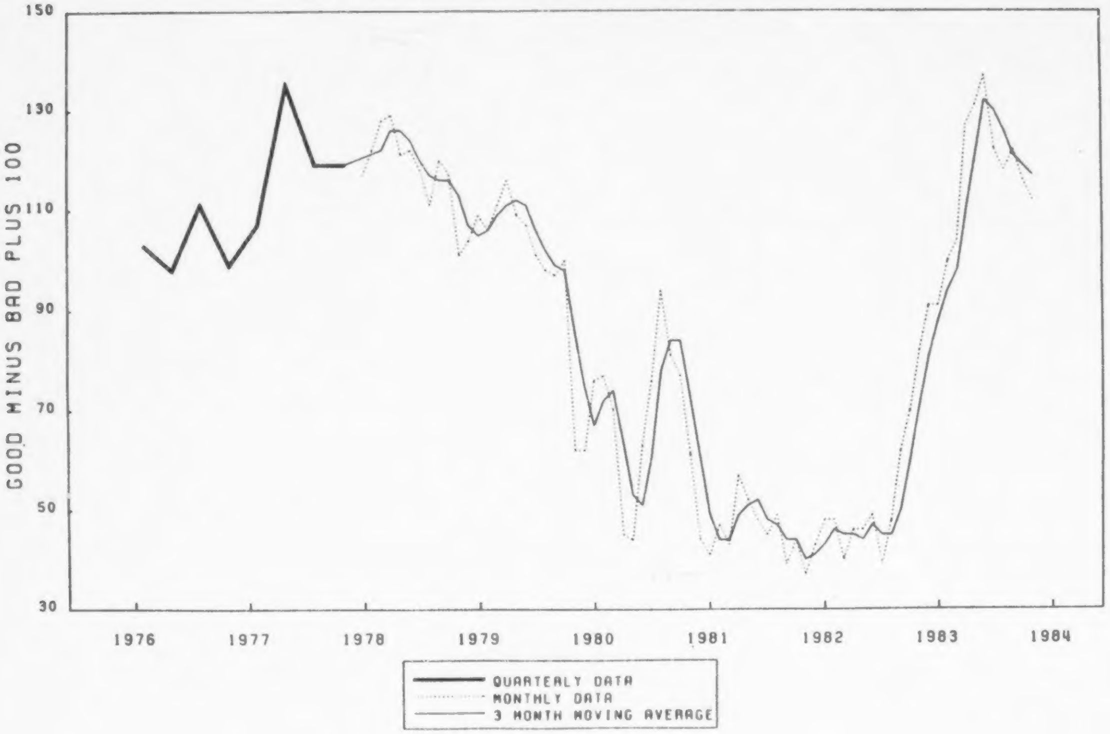
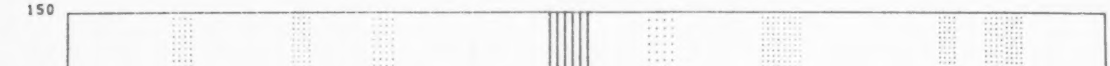


CHART 28 - HISTORICAL SERIES
BUYING CONDITIONS FOR HOUSES



## TABLE 28

## BUYING CONDITIONS FOR HOUSES

| | Nov. 1982 | Dec. 1982 | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| GOOD TIME TO BUY | 38% | 44% | 44% | 49% | 51% | 61% | 64% | 66% | 59% | 57% | 59% | 55% | 53% |
| UNCERTAIN, DEPENDS | 6 | 3 | 3 | 2 | 2 | 5 | 3 | 5 | 4 | 4 | 4 | 6 | 6 |
| BAD TIME TO BUY | 56 | 53 | 53 | 49 | 47 | 34 | 33 | 29 | 37 | 39 | 37 | 39 | 41 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 682 | 682 | 682 | 709 | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 |

The question was: "Generally speaking, do you think now is a good time or a bad time to buy a house?"

CHART 29A - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR HOUSES

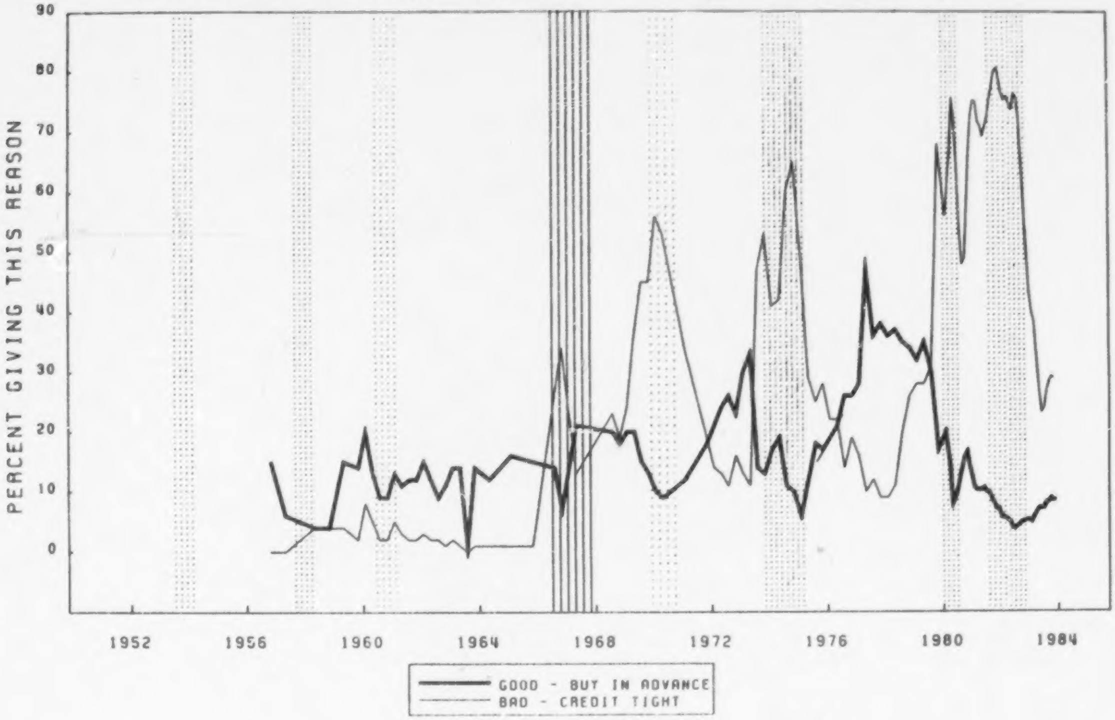
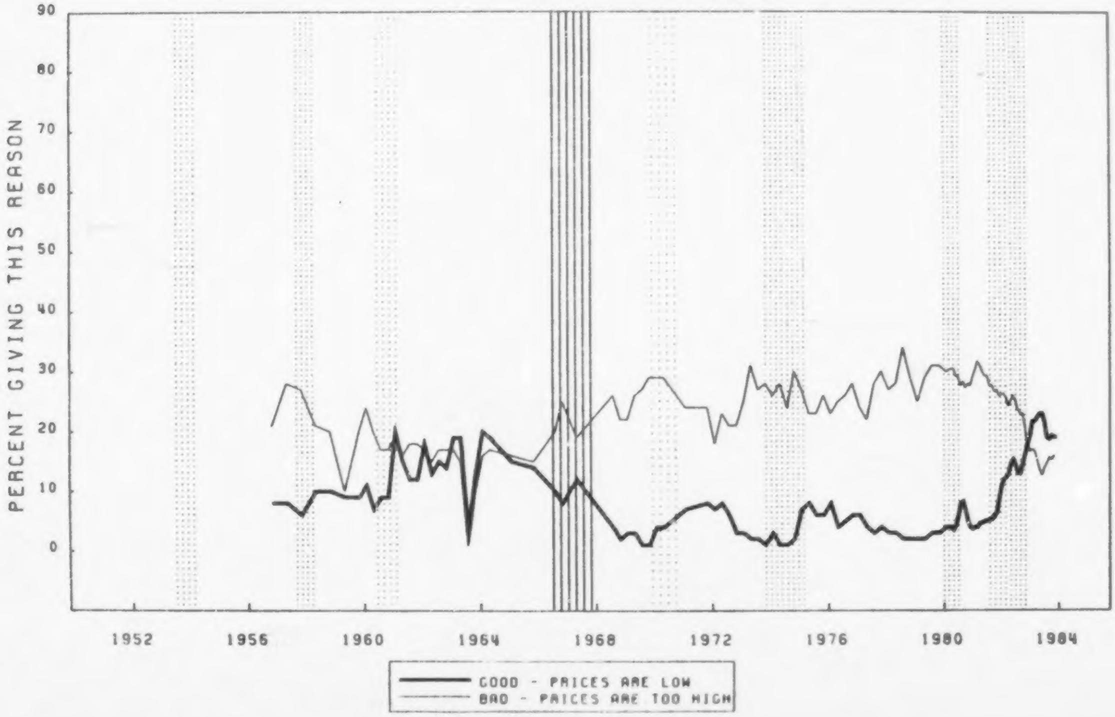


CHART 29B - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR HOUSES



## TABLE 29

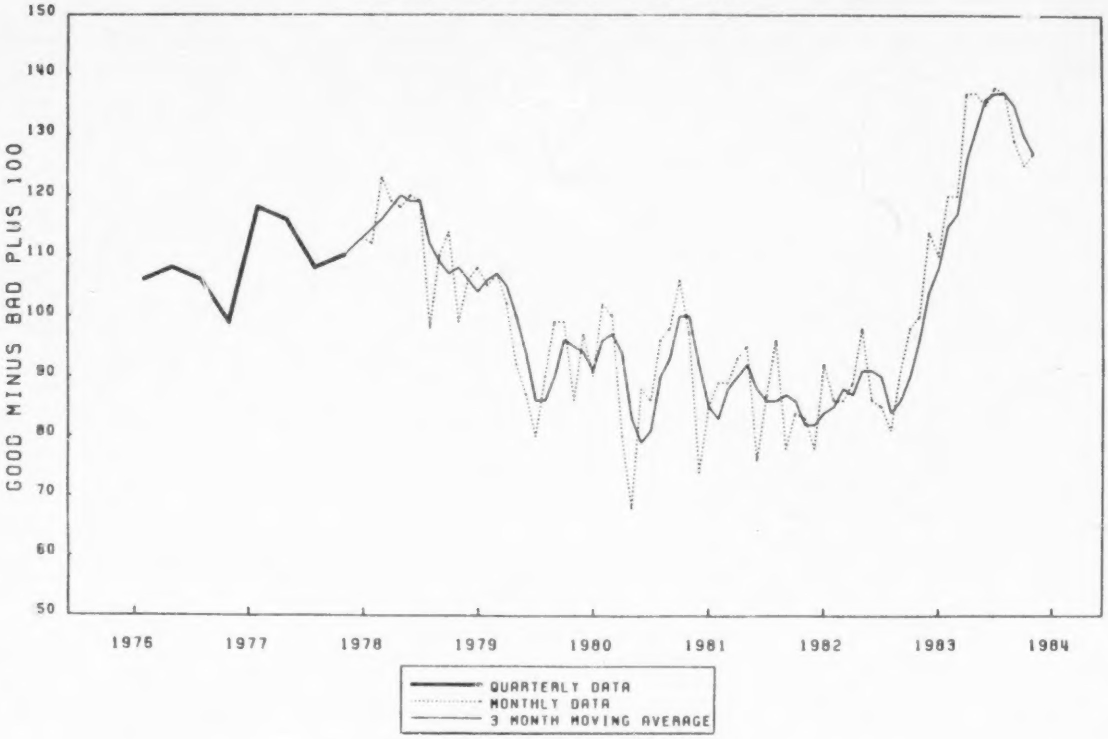
## SELECTED REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR HOUSES +

| | Nov. 1982 | Dec. 1982 | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| GOOD TIME TO BUY: | | | | | | | | | | | | | |
| Prices are low; good buys available | 17% | 20% | 21% | 24% | 20% | 24% | 25% | 20% | 20% | 17% | 19% | 22% | 16% |
| Prices won't come down; are going higher | 6 | 5 | 5 | 5 | 8 | 7 | 7 | 8 | 7 | 10 | 8 | 9 | 9 |
| Interest rates low; credit is easy | 30 | 35 | 37 | 40 | 44 | 54 | 57 | 61 | 49 | 44 | 47 | 38 | 40 |
| Good investment | 4 | 6 | 4 | 4 | 3 | 5 | 4 | 7 | 5 | 8 | 6 | 8 | 5 |
| BAD TIME TO BUY: | | | | | | | | | | | | | |
| Prices are high | 16 | 17 | 17 | 17 | 16 | 13 | 12 | 13 | 17 | 14 | 16 | 16 | 16 |
| Interest rates are high; credit is tight | 49 | 40 | 41 | 39 | 35 | 24 | 23 | 23 | 26 | 31 | 28 | 29 | 30 |
| Lack of purchasing power | 23 | 23 | 24 | 20 | 21 | 14 | 16 | 11 | 12 | 14 | 14 | 15 | 16 |

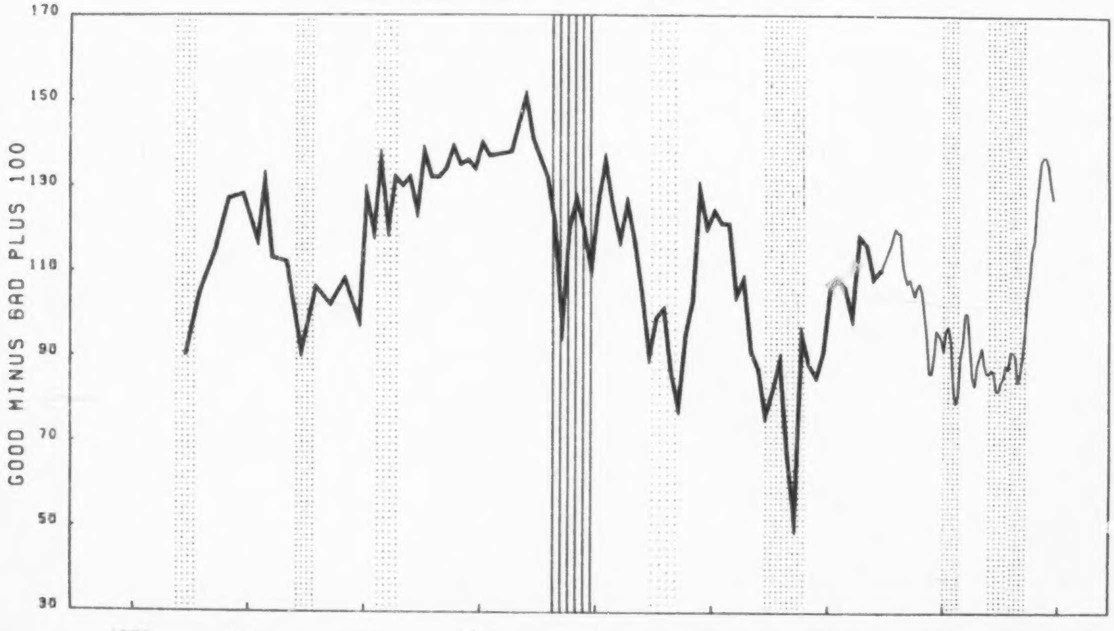
Responses to the query: "Why do you say so?" following the question on Table 28.

+ : May add to more than 100% due to multiple mentions.

## CHART 30 - RECENT CHANGES
## BUYING CONDITIONS FOR CARS



## CHART 30 - HISTORICAL SERIES
## BUYING CONDITIONS FOR CARS



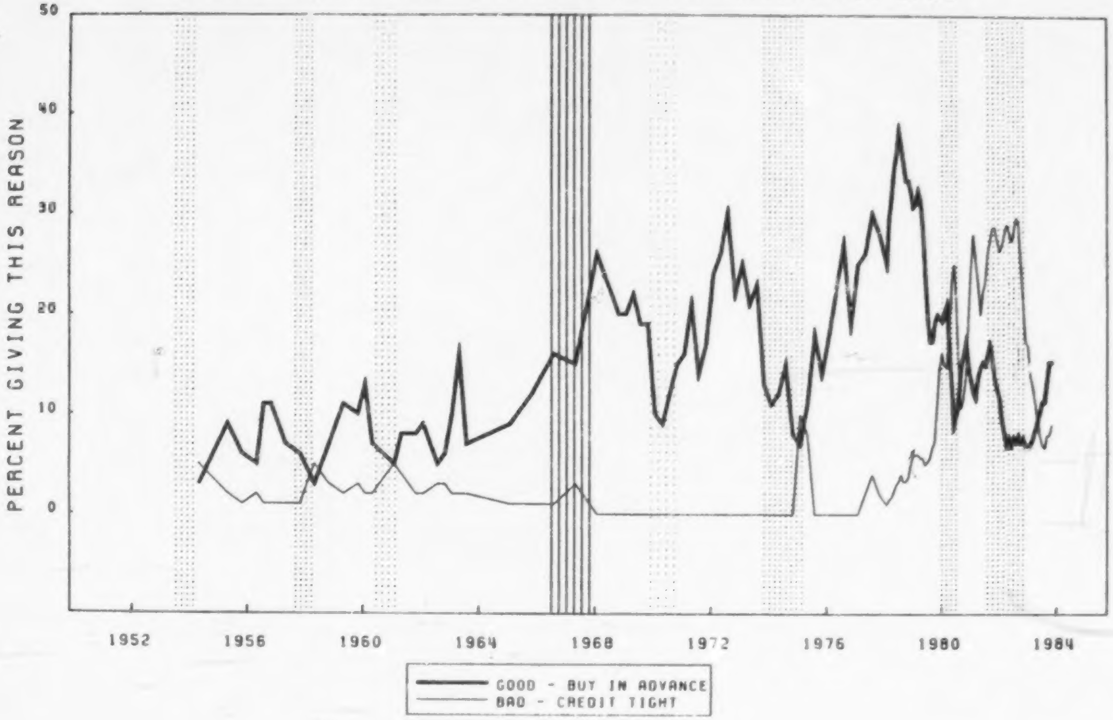
# TABLE 30

## BUYING CONDITIONS FOR CARS

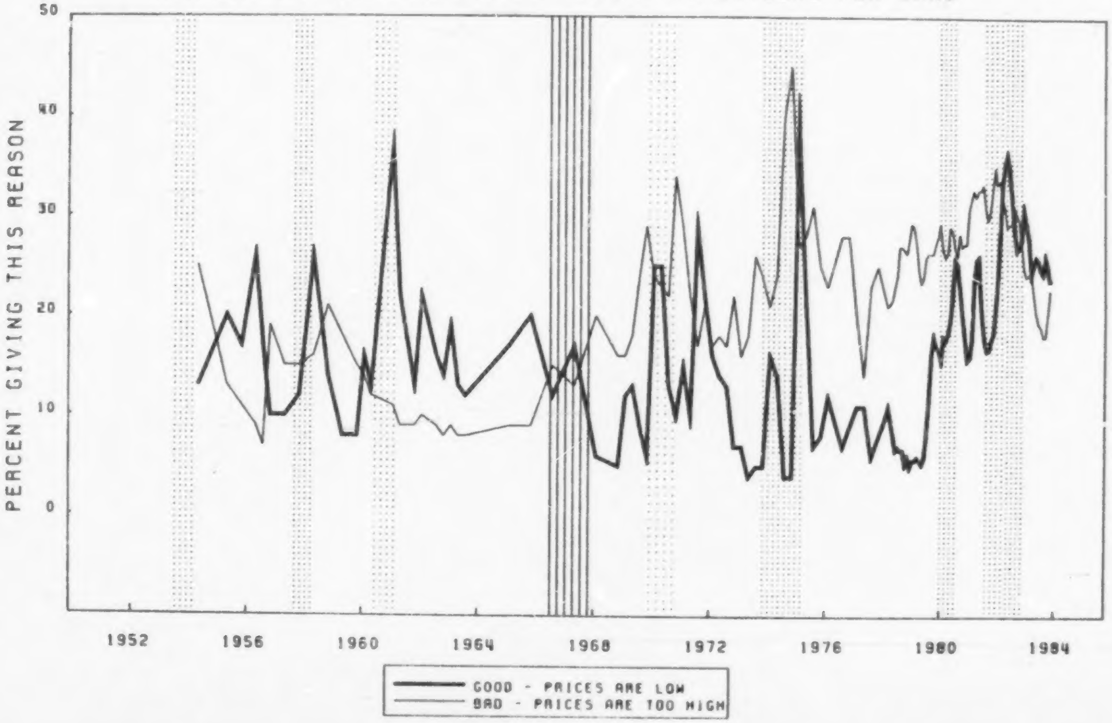
| | Nov. 1982 | Dec. 1982 | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| GOOD TIME TO BUY | 46% | 53% | 51% | 57% | 56% | 66% | 66% | 63% | 65% | 65% | 61% | 59% | 59% |
| UNCERTAIN; DEPENDS | 8 | 8 | 8 | 6 | 8 | 5 | 5 | 9 | 8 | 7 | 7 | 7 | 9 |
| BAD TIME TO BUY | 46 | 39 | 41 | 37 | 36 | 29 | 29 | 28 | 27 | 28 | 32 | 34 | 32 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 682 | 682 | 682 | 709 | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 |

The question was: "Speaking now of the automobile market--do you think the next 12 months or so will be a good time or a bad time to buy a car?"

## CHART 31A - HISTORICAL SERIES
## REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR CARS



## CHART 31B - HISTORICAL SERIES
## REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR CARS



## TABLE 31

## SELECTED REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR CARS +

| | Nov. 1982 | Dec. 1982 | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| GOOD TIME TO BUY: | | | | | | | | | | | | | |
| Prices are low; good buys available | 28% | 35% | 25% | 24% | 24% | 28% | 26% | 23% | 25% | 25% | 28% | 22% | 21% |
| Prices won't come down; are going higher | 8 | 6 | 7 | 8 | 8 | 8 | 12 | 11 | 11 | 12 | 17 | 17 | 12 |
| Interest rates low; credit is easy | 20 | 27 | 29 | 35 | 34 | 40 | 40 | 40 | 37 | 33 | 28 | 19 | 22 |
| New fuel efficient models | 1 | 1 | 2 | 1 | 2 | 2 | * | 1 | 2 | 1 | 2 | 2 | 2 |
| BAD TIME TO BUY: | | | | | | | | | | | | | |
| Prices are high | 25 | 23 | 24 | 26 | 23 | 19 | 19 | 20 | 18 | 16 | 20 | 25 | 23 |
| Interest rates are high; credit is tight | 19 | 14 | 18 | 10 | 11 | 11 | 7 | 6 | 8 | 6 | 10 | 8 | 9 |
| Lack of purchasing power | 15 | 13 | 12 | 12 | 10 | 7 | 7 | 7 | 7 | 9 | 6 | 8 | 6 |
| Price of gas; shortages | 1 | 1 | 1 | * | * | * | 1 | 1 | * | 1 | * | * | * |
| Poor selection; quality | 7 | 7 | 6 | 5 | 5 | 5 | 5 | 6 | 5 | 4 | 4 | 6 | 6 |

Responses to the query: "Why do you say so?" following the question on Table 30.

+ : May add to more than 100% due to multiple mentions.

* : Less than half of one percent.

CHART 32 - RECENT CHANGES
PLANS TO PURCHASE AN AUTOMOBILE DURING THE NEXT 12 MONTHS

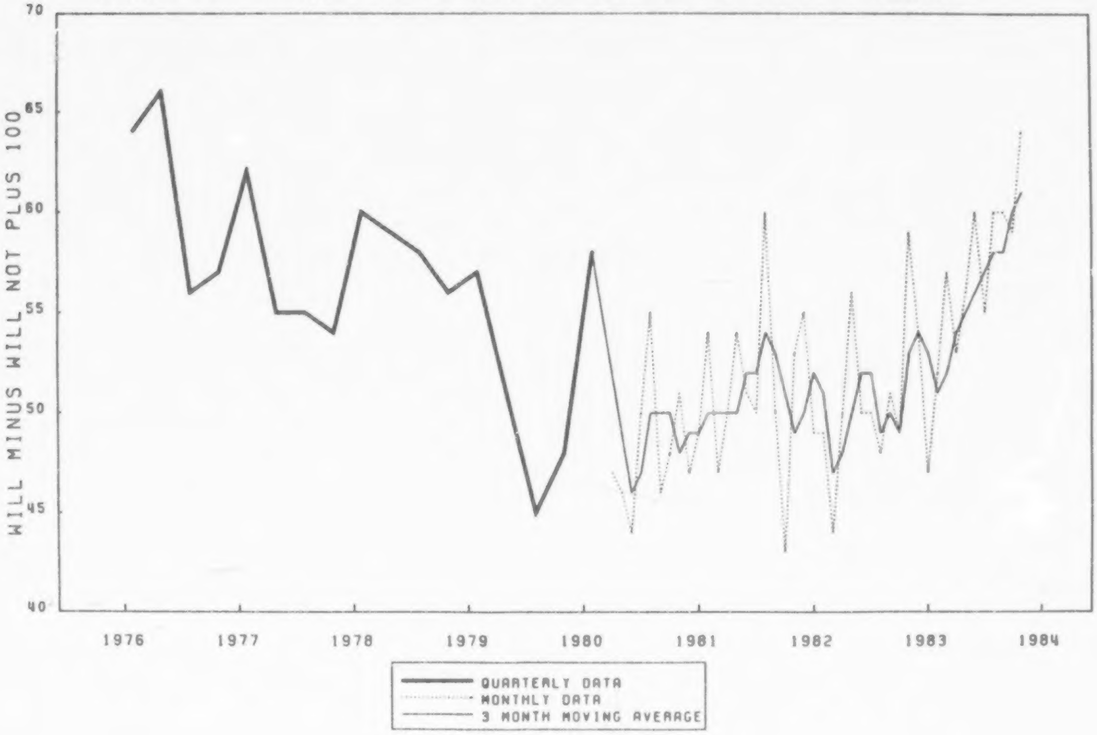


CHART 32 - HISTORICAL SERIES
PLANS TO PURCHASE AN AUTOMOBILE DURING THE NEXT 12 MONTHS

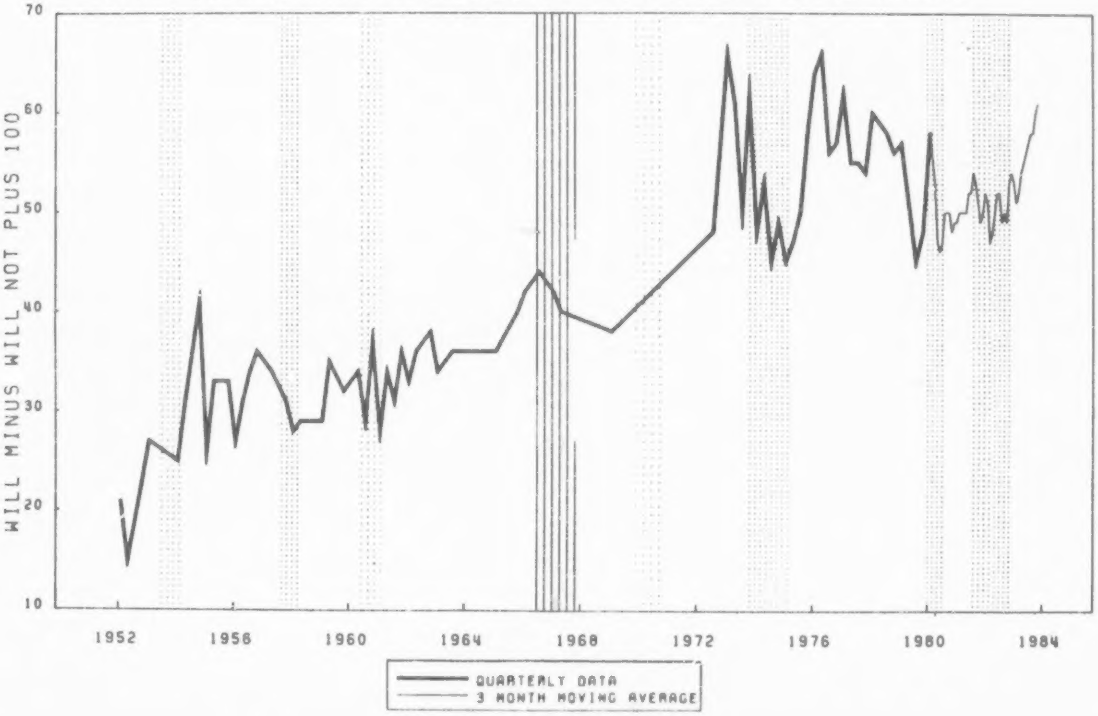


TABLE 32

PLANS TO PURCHASE AN AUTOMOBILE DURING THE NEXT 12 MONTHS

| | Nov. 1982 | Dec. 1982 | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| PROBABLY WILL BUY | 21% | 20% | 15% | 17% | 20% | 17% | 17% | 22% | 18% | 21% | 21% | 21% | 22% |
| CHANCES ARE EVEN | 8 | 8 | 7 | 8 | 7 | 9 | 9 | 7 | 6 | 7 | 9 | 8 | 9 |
| PROBABLY WILL NOT BUY | 62 | 66 | 68 | 65 | 63 | 64 | 61 | 62 | 63 | 61 | 61 | 62 | 58 |
| DK,NA | 9 | 6 | 10 | 10 | 10 | 10 | 13 | 9 | 13 | 11 | 9 | 9 | 11 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 682 | 682 | 682 | 709 | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 |

The question was: "What do you think are the chances that you (or anyone else in your family living there) will buy or lease a car during the next 12 months--would you say you probably will, probably will not, or are the chances about even, or what?"

TABLE 33

CURRENT VEHICLE PURCHASE INTENTIONS

| | Nov. 1982 | Dec. 1982 | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| PROPORTION WITH CURRENT PURCHASE INTENTIONS: | 29% | 28% | 22% | 25% | 27% | 26% | 26% | 29% | 24% | 28% | 30% | 29% | 31% |
| PURCHASE TYPE: | | | | | | | | | | | | | |
| Buy new | 11 | 15 | 10 | 12 | 13 | 14 | 12 | 13 | 11 | 15 | 13 | 17 | 17 |
| Buy used | 15 | 10 | 10 | 11 | 12 | 11 | 11 | 13 | 11 | 11 | 14 | 9 | 12 |
| Lease | 2 | 2 | 1 | 1 | 1 | * | 2 | 2 | 1 | 1 | 1 | 2 | 1 |
| DK,NA | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 2 | 1 | 1 |
| PURCHASE TIMING: | | | | | | | | | | | | | |
| Next 3 months | 4 | 2 | 3 | 3 | 1 | 6 | 2 | 1 | 4 | 5 | 2 | 6 | 4 |
| Next 4-6 months | 6 | 6 | 6 | 6 | 7 | 6 | 7 | 10 | 6 | 4 | 7 | 8 | 5 |
| Next 7-9 months | 8 | 6 | 4 | 7 | 9 | 7 | 8 | 8 | 3 | 5 | 5 | 8 | 9 |
| 10 months or more | 7 | 7 | 4 | 5 | 6 | 2 | 4 | 4 | 6 | 7 | 9 | 4 | 8 |
| DK,NA | 4 | 7 | 5 | 4 | 4 | 5 | 5 | 6 | 5 | 7 | 7 | 3 | 5 |

If response was "PROBABLY WILL BUY" or "CHANCES ARE EVEN" in Table 32, then the questions were: "If you do buy or lease a car, would it be a new car, or a used car?" , "Would you buy or lease?" and "When do you think you might buy or lease a car?"

* : Less than half of one percent.

## TABLE 34

## FUTURE VEHICLE PURCHASE INTENTIONS

| | Nov. 1982 | Dec. 1982 | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| PROPORTION WITH FUTURE PURCHASE INTENTIONS: | 62% | 66% | 68% | 65% | 63% | 64% | 61% | 62% | 63% | 61% | 61% | 62% | 58% |
| PURCHASE TYPE: | | | | | | | | | | | | | |
| Would buy new | 34 | 40 | 36 | 34 | 31 | 38 | 36 | 37 | 37 | 33 | 33 | 33 | 36 |
| Would buy used | 26 | 24 | 30 | 29 | 31 | 25 | 24 | 24 | 24 | 27 | 27 | 29 | 21 |
| DK,NA | 2 | 2 | 2 | 2 | 1 | 1 | 1 | 1 | 2 | 1 | 1 | * | 1 |
| PURCHASE TIMING: | | | | | | | | | | | | | |
| Less than 2 years | 7 | 7 | 8 | 8 | 6 | 8 | 7 | 6 | 8 | 6 | 8 | 6 | 5 |
| 2 years | 22 | 22 | 23 | 19 | 20 | 22 | 24 | 20 | 23 | 21 | 22 | 20 | 19 |
| 3 years | 8 | 10 | 10 | 10 | 11 | 12 | 10 | 10 | 9 | 9 | 10 | 11 | 10 |
| 4 years or more | 18 | 17 | 21 | 20 | 21 | 16 | 18 | 21 | 18 | 18 | 15 | 19 | 18 |
| Indefinite | 2 | 4 | 2 | 2 | 1 | 2 | 1 | 1 | 2 | 2 | 2 | * | 1 |
| DK,NA | 5 | 6 | 4 | 6 | 4 | 4 | 1 | 4 | 3 | 5 | 4 | 6 | 5 |

If response was "PROBABLY WILL NOT BUY" in Table 32, then the questions were: "If you were to buy a car, would it be a new car or a used car? and "How long do you think it may be before will buy or lease a car?"

* : Less than half of one percent.

# EXPLANATORY CHARTS

CHART 1 - RECENT CHANGES
THE INDEX OF CONSUMER SENTIMENT

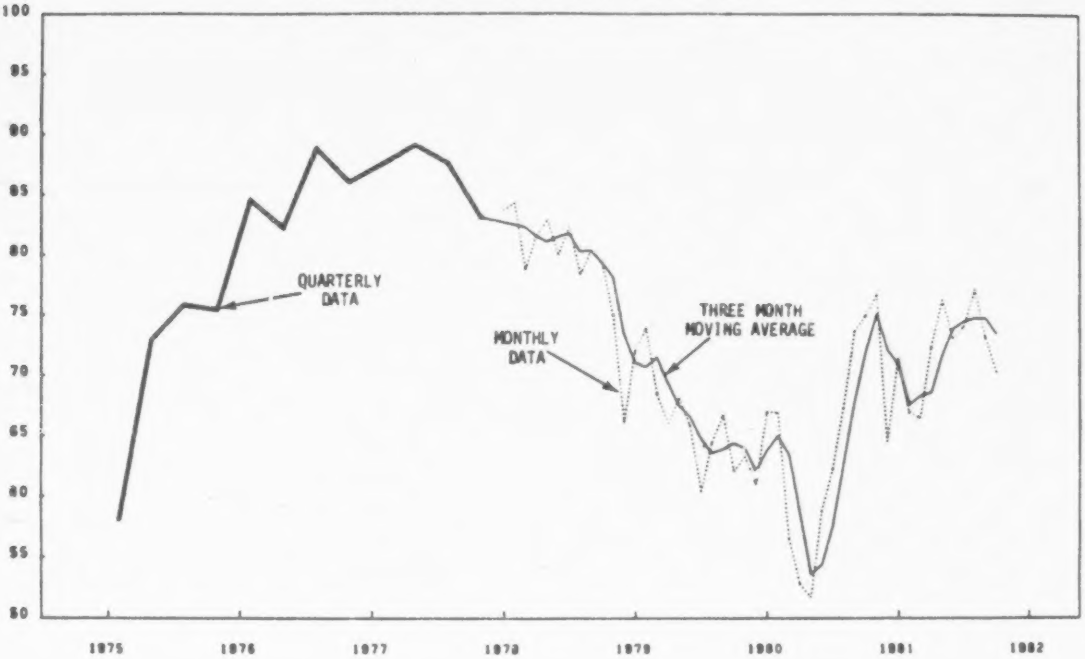
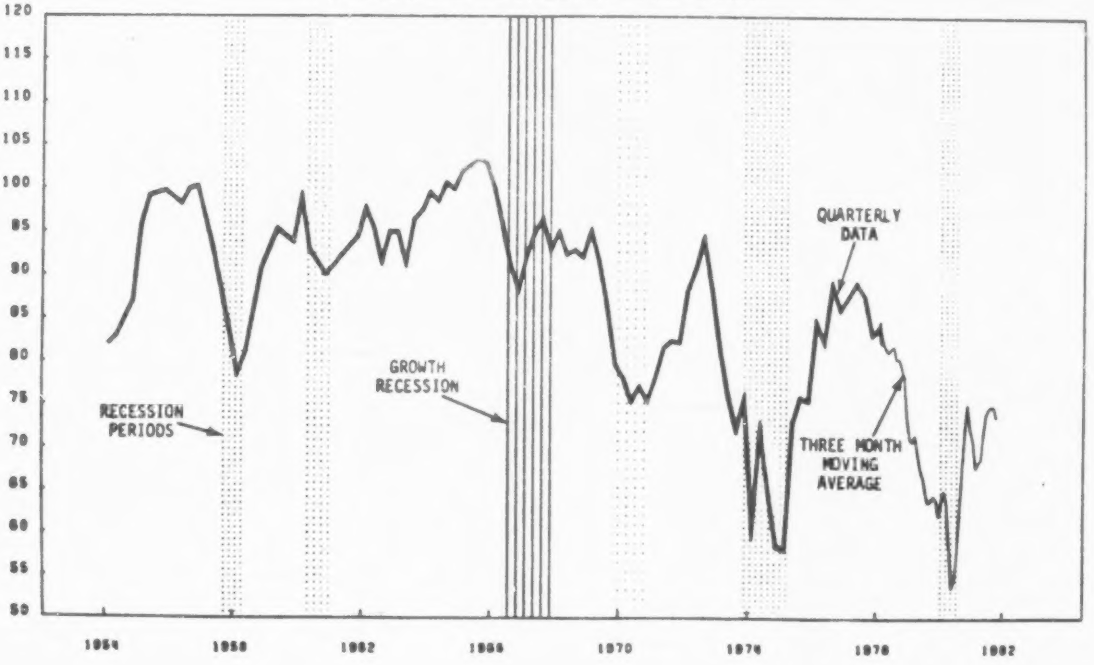


CHART 1 - HISTORICAL SERIES
THE INDEX OF CONSUMER SENTIMENT



## DESCRIPTION OF CHART LINES

QUARTERLY DATA: Data collected by surveys conducted at three-month intervals before 1978.

MONTHLY DATA: Data collected by surveys conducted each month since January of 1978.

THREE-MONTH MOVING AVERAGE: Each point plotted represents the average of the three monthly observations ending at the date plotted.

## TIME SCALE LABELS

Each tic mark on the time scale represents the month of January for the indicated year.

## NATIONAL BUREAU OF ECONOMIC RESEARCH, REFERENCE DATES FOR RECESSIONS

DATES: November 1948 - October 1949
July 1953 - May 1954
August 1957 - April 1958
April 1960 - February 1961
June 1966 - November 1967*
December 1969 - November 1970
November 1973 - March 1975
January 1980 - July 1980
July 1981 - November 1982

Notes:

RECESSION PERIOD: Reduction in the national output of goods and services, generally lasting at least two quarters.

*GROWTH RECESSION: Retardation in the rate of growth of output and employment (usually followed by a recession and always the initial stage of a recession).

## APPROXIMATE SAMPLING ERRORS[a] OF SURVEY FINDINGS

(In percentages by size of sample or subgroup)

| Reported Percentages | Number of Interviews 700[b] | 1,400[c] | 2,100[d] |
|---|---|---|---|
| 50 | 4.2 | 3.2 | 2.8 |
| 30 or 70 | 3.8 | 2.9 | 2.5 |
| 20 or 80 | 3.4 | 2.6 | 2.2 |
| 10 or 90 | 2.5 | 1.9 | 1.6 |
| 5 or 95 | 1.8 | 1.4 | 1.2 |

---

[a] The figures in this table represent two standard errors. Hence, for most items the chances are 95 in 100 that the value being estimated lies within a range equal to the reported percentages, plus or minus the sampling error.

[b] Average size of monthly surveys.

[c] Average size of two monthly surveys.

[d] Average size of three monthly surveys (one quarter).

# SURVEYS OF CONSUMER ATTITUDES

SURVEY RESEARCH CENTER
UNIVERSITY OF MICHIGAN

Institute for Social Research

# TABLES AND CHARTS

## DECEMBER 1983

The December 1983 survey is the 183rd in a series of surveys of consumer attitudes conducted by the Survey Research Center at The University of Michigan. Initiated in 1946, these periodic surveys provide regular assessments of consumer attitudes and expectations, and are used to evaluate economic trends and prospects. The surveys are designed to explore why changes in consumer attitudes and expectations occur, and how these changes influence consumer spending and saving decisions.

Two charts highlight recent changes and historical patterns for most questions. Recent change charts include quarterly data before 1978 and monthly data starting in January of 1978. Historical series charts show quarterly data before 1978 and 3 month moving averages since then. See the explanatory charts at the end of this book for a detailed description.

All surveys are subject to sampling error because not all members of the population are interviewed. Most results on the total sample for this monthly survey will differ by no more than 4 percentage points in either direction from what would have been obtained by using the same methods on the entire population. See the back of this book for sampling error information.

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| 2 | INDEX OF CONSUMER SENTIMENT WITHIN REGION AND AGE SUBGROUPS |
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CHART 1 - RECENT CHANGES
THE INDEX OF CONSUMER SENTIMENT

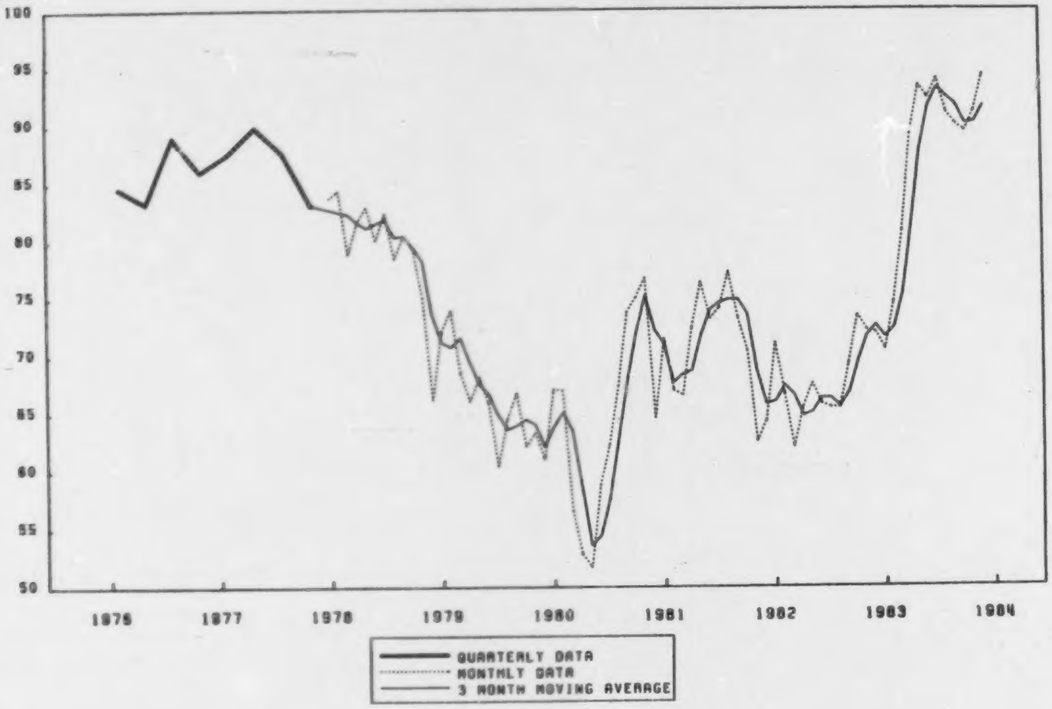
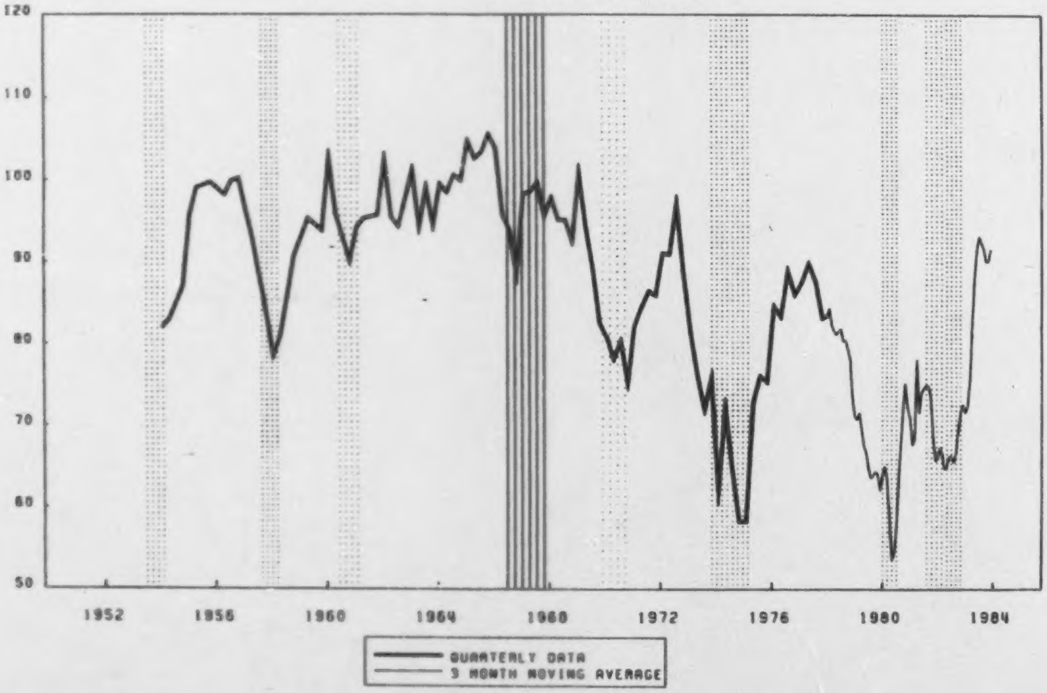


CHART 1 - HISTORICAL SERIES
THE INDEX OF CONSUMER SENTIMENT



## TABLE 1

## THE INDEX OF CONSUMER SENTIMENT

| DATE OF SURVEY | All families | Families with incomes over $20,000 | Families with incomes over $25,000 |
|---|---|---|---|
| December 1980 | 64.5 | 66.9 | 68.6 |
| January 1981 | 71.4 | 74.8 | 77.1 |
| February 1981 | 66.9 | 74.2 | 77.5 |
| March 1981 | 66.5 | 72.1 | 73.7 |
| April 1981 | 72.4 | 77.1 | 78.0 |
| May 1981 | 76.3 | 80.8 | 85.0 |
| June 1981 | 73.1 | 81.2 | 82.9 |
| July 1981 | 74.1 | 80.8 | 82.1 |
| August 1981 | 77.2 | 82.7 | 85.0 |
| September 1981 | 73.1 | 75.2 | 73.3 |
| October 1981 | 70.3 | 74.5 | 77.9 |
| November 1981 | 62.5 | 67.2 | 66.3 |
| December 1981 | 64.3 | 71.0 | 71.1 |
| January 1982 | 71.0 | 77.9 | 77.8 |
| February 1982 | 66.5 | 71.5 | 72.8 |
| March 1982 | 62.0 | 67.0 | 67.9 |
| April 1982 | 65.5 | 71.5 | 73.2 |
| May 1982 | 67.5 | 72.7 | 74.8 |
| June 1982 | 65.7 | 71.4 | 72.9 |
| July 1982 | 65.4 | 68.9 | 69.2 |
| August 1982 | 65.4 | 71.0 | 73.6 |
| September 1982 | 69.3 | 78.4 | 81.1 |
| October 1982 | 73.4 | 77.5 | 80.9 |
| November 1982 | 72.1 | 79.3 | 81.1 |
| December 1982 | 71.9 | 78.0 | 80.5 |
| January 1983 | 70.4 | 78.2 | 78.8 |
| February 1983 | 74.6 | 79.9 | 81.3 |
| March 1983 | 80.8 | 88.4 | 88.9 |
| April 1983 | 89.1 | 97.1 | 99.0 |
| May 1983 | 93.3 | 99.6 | 101.0 |
| June 1983 | 92.2 | 101.2 | 102.5 |
| July 1983 | 93.9 | 104.4 | 106.5 |
| August 1983 | 90.9 | 101.2 | 103.5 |
| September 1983 | 89.9 | 99.0 | 102.3 |
| October 1983 | 89.3 | 99.5 | 101.9 |
| November 1983 | 91.1 | 97.2 | 98.8 |
| December 1983 | 94.2 | 101.7 | 104.5 |

CHART 2A - HISTORICAL SERIES
INDEX OF CONSUMER SENTIMENT WITHIN REGION SUBGROUPS

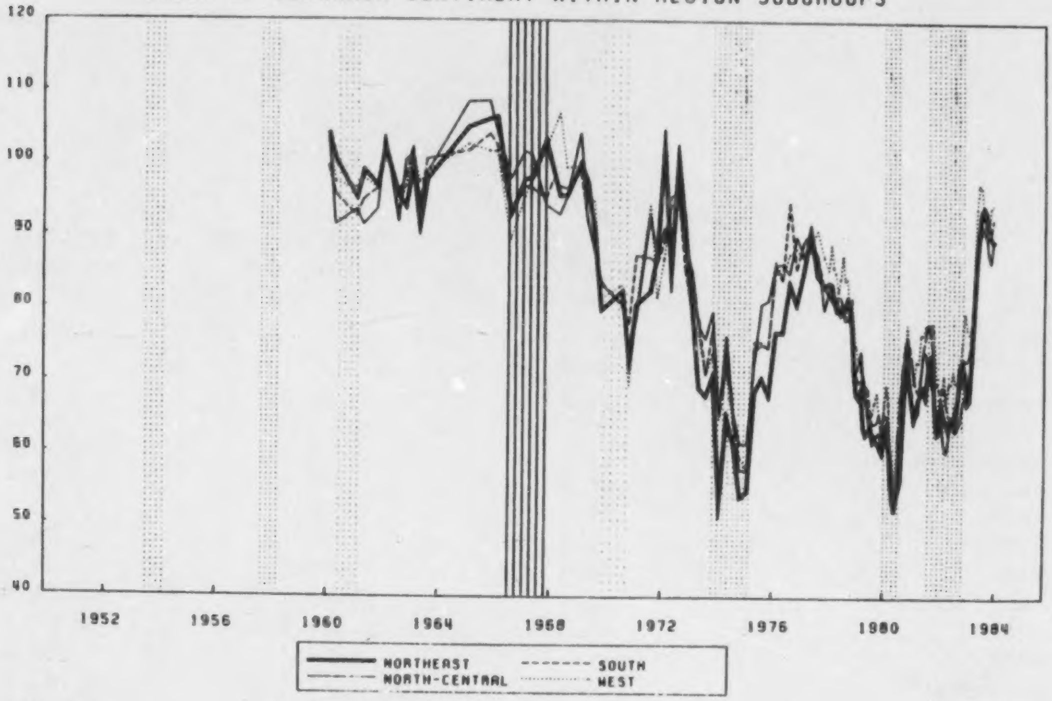
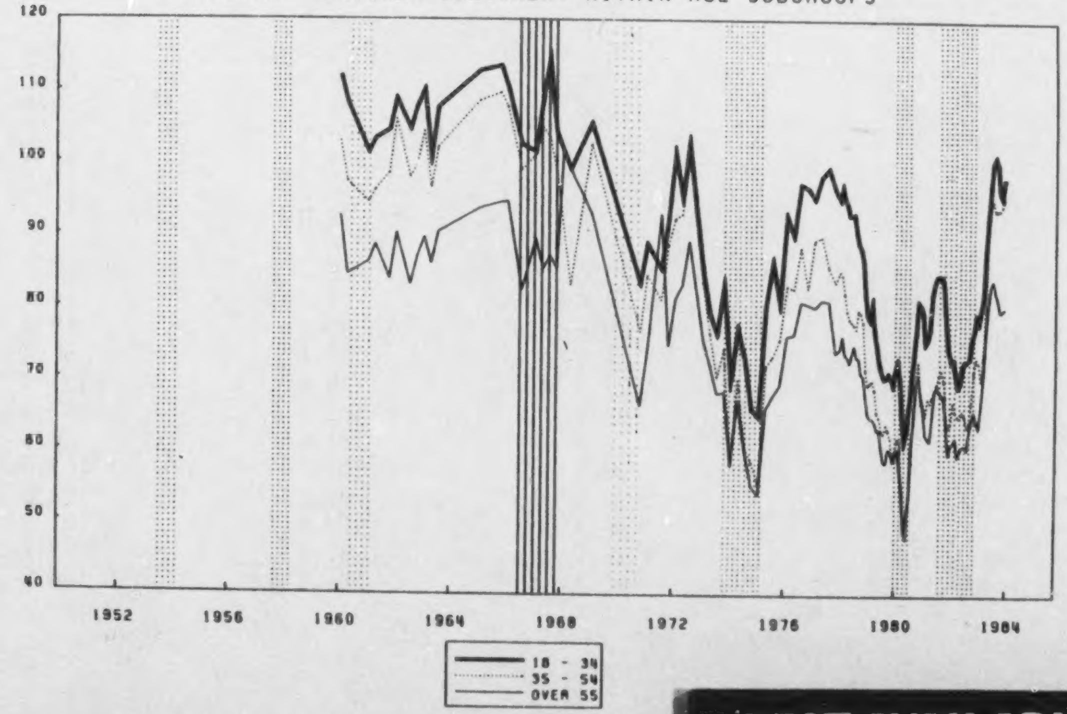


CHART 2B - HISTORICAL SERIES
INDEX OF CONSUMER SENTIMENT WITHIN AGE SUBGROUPS



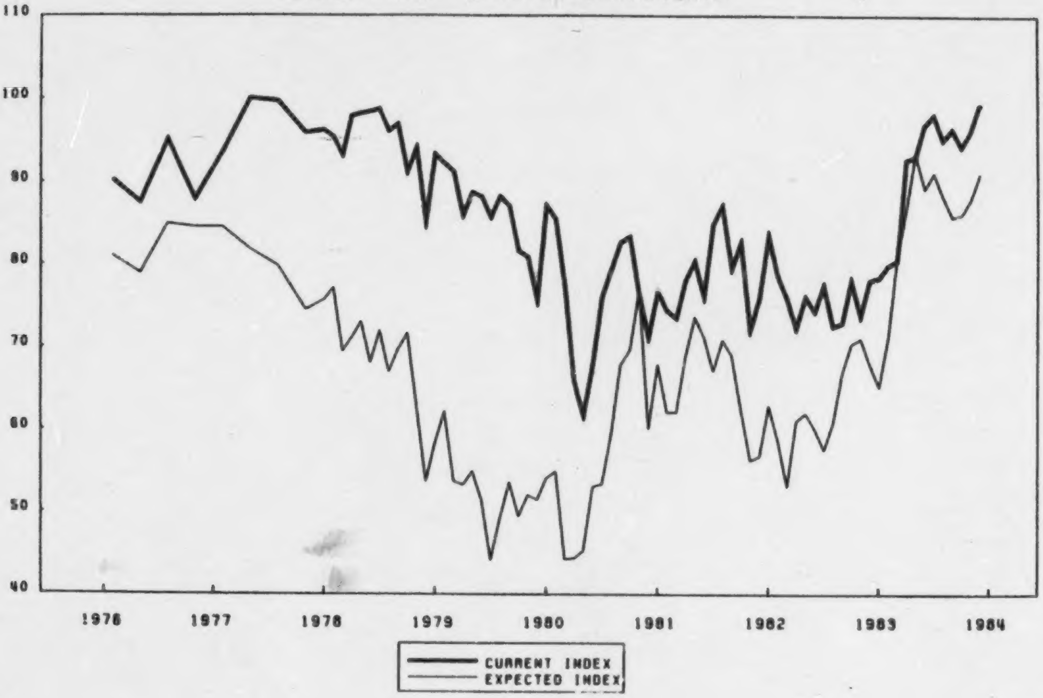
BEST AVAILABLE COPY

## TABLE 2

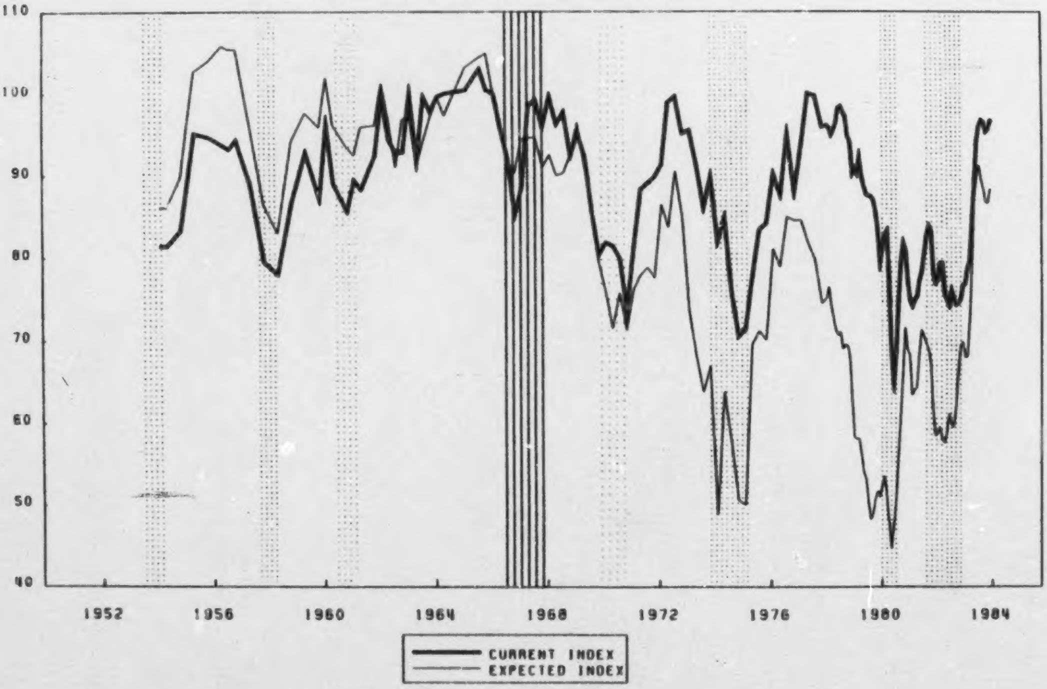
## INDEX OF CONSUMER SENTIMENT WITHIN REGION AND AGE SUBGROUPS

| | CENSUS REGION | | | | AGE OF RESPONDENT | | |
|---|---|---|---|---|---|---|---|
| DATE OF SURVEY | North East | North Central | South | West | 18-34 | 35-54 | 55+ |
| December 1980 | 62.3 | 59.9 | 69.3 | 64.6 | 76.0 | 56.7 | 60.1 |
| January 1981 | 68.2 | 70.9 | 72.5 | 74.4 | 77.2 | 70.2 | 67.9 |
| February 1981 | 64.5 | 62.6 | 70.2 | 70.8 | 72.5 | 68.4 | 59.6 |
| March 1981 | 66.5 | 62.6 | 64.9 | 73.7 | 77.3 | 63.9 | 58.4 |
| April 1981 | 72.6 | 72.7 | 71.0 | 74.2 | 81.5 | 68.3 | 66.9 |
| May 1981 | 66.8 | 76.6 | 77.5 | 82.2 | 87.7 | 71.2 | 70.0 |
| June 1981 | 68.5 | 74.0 | 75.2 | 73.8 | 81.7 | 67.0 | 69.6 |
| July 1981 | 68.9 | 72.2 | 76.5 | 78.1 | 84.2 | 70.6 | 67.6 |
| August 1981 | 77.0 | 70.1 | 83.2 | 79.2 | 87.8 | 75.0 | 67.9 |
| September 1981 | 75.1 | 69.9 | 72.4 | 76.6 | 81.4 | 68.8 | 69.2 |
| October 1981 | 67.9 | 68.2 | 68.9 | 79.0 | 80.7 | 65.9 | 64.8 |
| November 1981 | 55.8 | 64.7 | 61.1 | 68.8 | 71.3 | 59.6 | 57.7 |
| December 1981 | 65.0 | 65.3 | 64.4 | 61.6 | 70.9 | 65.3 | 56.7 |
| January 1982 | 68.8 | 67.3 | 72.0 | 76.2 | 76.6 | 67.4 | 68.5 |
| February 1982 | 65.9 | 60.6 | 71.8 | 68.8 | 71.5 | 68.3 | 59.0 |
| March 1982 | 60.5 | 55.8 | 64.7 | 68.2 | 65.5 | 61.4 | 58.8 |
| April 1982 | 67.2 | 64.6 | 65.0 | 65.8 | 70.6 | 65.5 | 60.4 |
| May 1982 | 62.4 | 66.5 | 66.6 | 75.7 | 72.7 | 67.6 | 62.0 |
| June 1982 | 65.4 | 65.0 | 64.9 | 68.6 | 72.4 | 64.4 | 60.3 |
| July 1982 | 65.1 | 64.0 | 63.5 | 71.1 | 73.4 | 63.3 | 60.6 |
| August 1982 | 68.1 | 60.6 | 64.0 | 70.6 | 72.6 | 62.9 | 60.2 |
| September 1982 | 70.3 | 67.2 | 71.1 | 68.8 | 73.0 | 66.7 | 68.0 |
| October 1982 | 77.8 | 66.2 | 74.1 | 79.3 | 81.2 | 72.1 | 65.5 |
| November 1982 | 70.6 | 67.9 | 73.2 | 79.3 | 76.6 | 75.7 | 63.8 |
| December 1982 | 66.1 | 70.0 | 72.5 | 80.4 | 78.9 | 71.7 | 64.2 |
| January 1983 | 64.9 | 70.5 | 73.6 | 72.8 | 78.8 | 70.0 | 62.0 |
| February 1983 | 72.1 | 72.3 | 75.8 | 77.2 | 82.1 | 68.3 | 72.4 |
| March 1983 | 82.9 | 73.7 | 82.7 | 84.4 | 84.9 | 81.5 | 75.5 |
| April 1983 | 89.1 | 88.0 | 87.2 | 95.6 | 95.8 | 90.5 | 80.5 |
| May 1983 | 88.3 | 90.7 | 93.3 | 102.7 | 97.2 | 97.1 | 84.9 |
| June 1983 | 95.1 | 88.7 | 92.5 | 94.1 | 97.8 | 94.4 | 83.9 |
| July 1983 | 98.3 | 93.8 | 89.9 | 94.3 | 106.0 | 93.6 | 83.0 |
| August 1983 | 89.6 | 92.0 | 91.3 | 89.6 | 99.2 | 92.9 | 80.0 |
| September 1983 | 92.6 | 87.8 | 89.3 | 90.8 | 94.8 | 94.5 | 80.9 |
| October 1983 | 89.9 | 83.7 | 91.5 | 93.5 | 94.2 | 93.8 | 77.8 |
| November 1983 | 87.7 | 88.3 | 91.5 | 98.5 | 97.2 | 94.6 | 80.7 |
| December 1983 | 91.4 | 96.2 | 95.2 | 92.2 | 102.3 | 97.5 | 81.8 |

## CHART 3 - RECENT CHANGES
## CURRENT AND EXPECTED COMPONENTS



## CHART 3 - HISTORICAL SERIES
## CURRENT AND EXPECTED COMPONENTS



## COMPONENTS OF THE INDEX OF CONSUMER SENTIMENT

| | INDEX COMPONENTS + | | | | | | |
|---|---|---|---|---|---|---|---|
| | Personal finances | | Business conditions | | Buying conds. | Current Index | Expected Index |
| | Current | Expected | 12 months | 5 years | | | |
| DATE OF SURVEY | (1) | (2) | (3) | (4) | (5) | (1,5) | (2,3,4) |
| December 1980 | 77 | 100 | 64 | 73 | 104 | 71.2 | 60.2 |
| January 1981 | 80 | 109 | 78 | 81 | 116 | 76.7 | 67.9 |
| February 1981 | 80 | 106 | 64 | 73 | 109 | 74.4 | 62.1 |
| March 1981 | 86 | 104 | 68 | 72 | 101 | 73.5 | 62.1 |
| April 1981 | 79 | 111 | 83 | 78 | 121 | 78.1 | 68.8 |
| May 1981 | 95 | 118 | 92 | 81 | 111 | 80.4 | 73.6 |
| June 1981 | 89 | 113 | 91 | 78 | 104 | 76.1 | 71.2 |
| July 1981 | 99 | 114 | 81 | 70 | 118 | 84.9 | 67.1 |
| August 1981 | 100 | 117 | 92 | 72 | 123 | 87.1 | 70.8 |
| September 1981 | 94 | 113 | 80 | 80 | 109 | 79.5 | 69.0 |
| October 1981 | 95 | 110 | 68 | 67 | 117 | 82.7 | 62.3 |
| November 1981 | 85 | 110 | 54 | 56 | 99 | 72.1 | 56.3 |
| December 1981 | 94 | 110 | 54 | 61 | 101 | 75.9 | 56.8 |
| January 1982 | 92 | 115 | 66 | 70 | 124 | 83.5 | 62.9 |
| February 1982 | 91 | 112 | 56 | 65 | 111 | 78.6 | 58.7 |
| March 1982 | 89 | 106 | 44 | 60 | 106 | 75.9 | 53.1 |
| April 1982 | 87 | 111 | 62 | 70 | 99 | 72.3 | 61.1 |
| May 1982 | 94 | 113 | 62 | 72 | 102 | 76.1 | 62.0 |
| June 1982 | 92 | 116 | 58 | 65 | 99 | 74.3 | 60.1 |
| July 1982 | 90 | 113 | 53 | 63 | 110 | 77.5 | 57.6 |
| August 1982 | 89 | 110 | 64 | 69 | 97 | 72.5 | 60.9 |
| September 1982 | 89 | 116 | 76 | 74 | 98 | 72.9 | 66.9 |
| October 1982 | 95 | 119 | 79 | 83 | 106 | 78.1 | 70.4 |
| November 1982 | 85 | 121 | 77 | 86 | 105 | 73.8 | 71.0 |
| December 1982 | 90 | 117 | 74 | 80 | 111 | 78.1 | 67.9 |
| January 1983 | 91 | 115 | 76 | 69 | 111 | 78.4 | 65.2 |
| February 1983 | 89 | 117 | 87 | 81 | 117 | 79.9 | 71.2 |
| March 1983 | 92 | 126 | 113 | 85 | 115 | 80.5 | 80.9 |
| April 1983 | 108 | 131 | 120 | 99 | 131 | 92.7 | 86.9 |
| May 1983 | 101 | 137 | 139 | 100 | 139 | 93.1 | 93.4 |
| June 1983 | 110 | 128 | 134 | 97 | 141 | 96.9 | 89.2 |
| July 1983 | 111 | 126 | 136 | 104 | 143 | 98.1 | 91.1 |
| August 1983 | 106 | 124 | 130 | 100 | 140 | 95.1 | 88.2 |
| September 1983 | 109 | 125 | 125 | 95 | 140 | 96.4 | 85.8 |
| October 1983 | 104 | 124 | 124 | 98 | 140 | 94.3 | 86.1 |
| November 1983 | 111 | 127 | 129 | 98 | 138 | 96.1 | 87.9 |
| December 1983 | 123 | 125 | 140 | 102 | 134 | 99.3 | 91.0 |

(1) See Table 4.
(2) See Table 6.
(3) See Table 18.
(4) See Table 19.
(5) See Table 26.

+ : Percent saying "GOOD TIMES" (or "BETTER"), minus percent saying "BAD TIMES" (or "WORSE"), plus 100.

CHART 4 - RECENT CHANGES
CURRENT FINANCIAL SITUATION COMPARED WITH A YEAR AGO

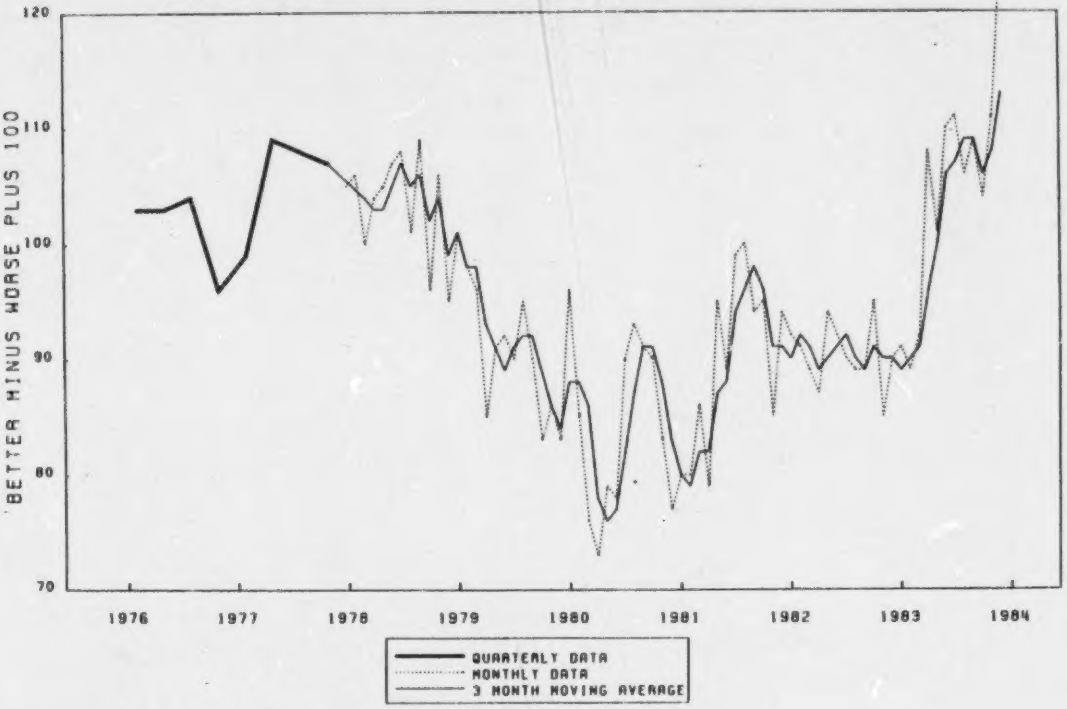
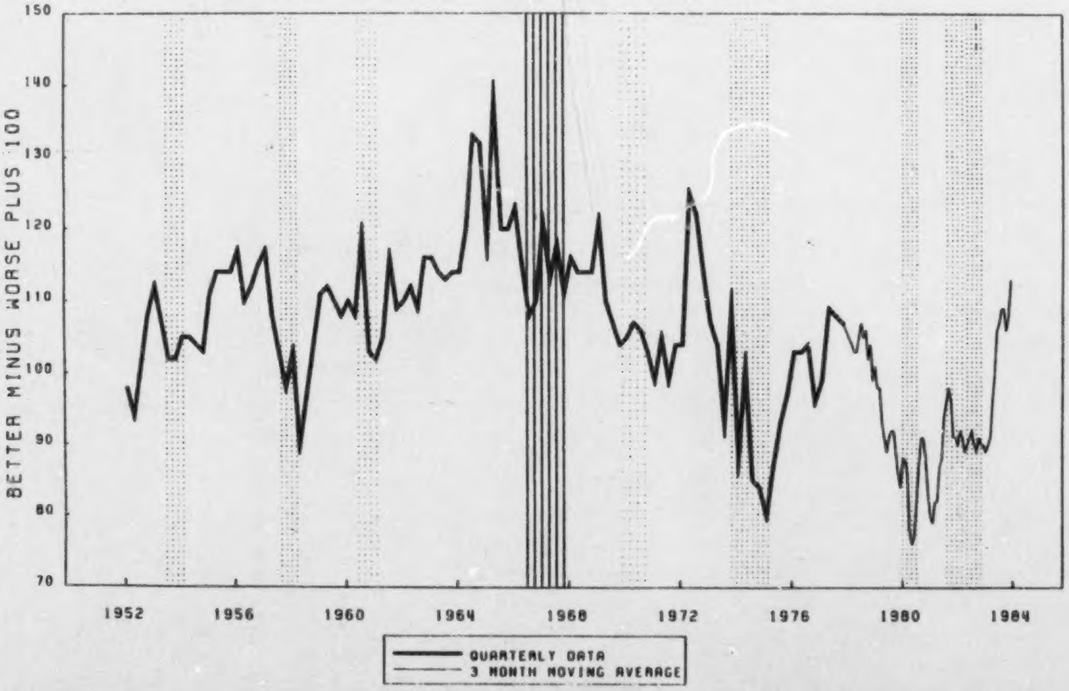


CHART 4 - HISTORICAL SERIES
CURRENT FINANCIAL SITUATION COMPARED WITH A YEAR AGO



## TABLE 4

## CURRENT FINANCIAL SITUATION COMPARED TO A YEAR AGO

| | Dec. 1982 | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| BETTER OFF | 28% | 29% | 30% | 31% | 39% | 34% | 38% | 40% | 36% | 38% | 36% | 38% | 45% |
| SAME | 34 | 33 | 29 | 30 | 30 | 33 | 33 | 31 | 34 | 33 | 32 | 35 | 33 |
| WORSE OFF | 38 | 38 | 41 | 39 | 31 | 33 | 28 | 29 | 30 | 29 | 32 | 27 | 22 |
| DK,NA | * | * | * | * | * | * | 1 | * | * | * | * | * | * |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 682 | 682 | 709 | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 |

The question was: "We are interested in how people are getting along financially these days. Would you say that you (and your family living there) are better off or worse off financially than you were a year ago?"

* : Less than half of one percent.

CHART 5 - RECENT CHANGES
REASONS FOR OPINIONS ABOUT PERSONAL FINANCIAL SITUATION

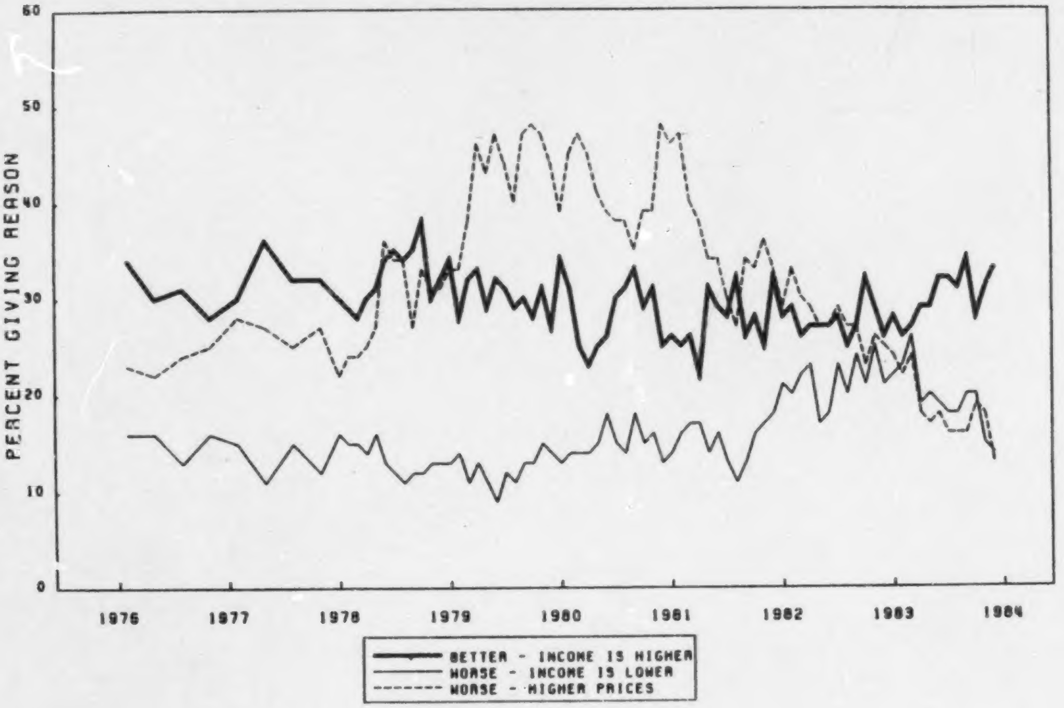
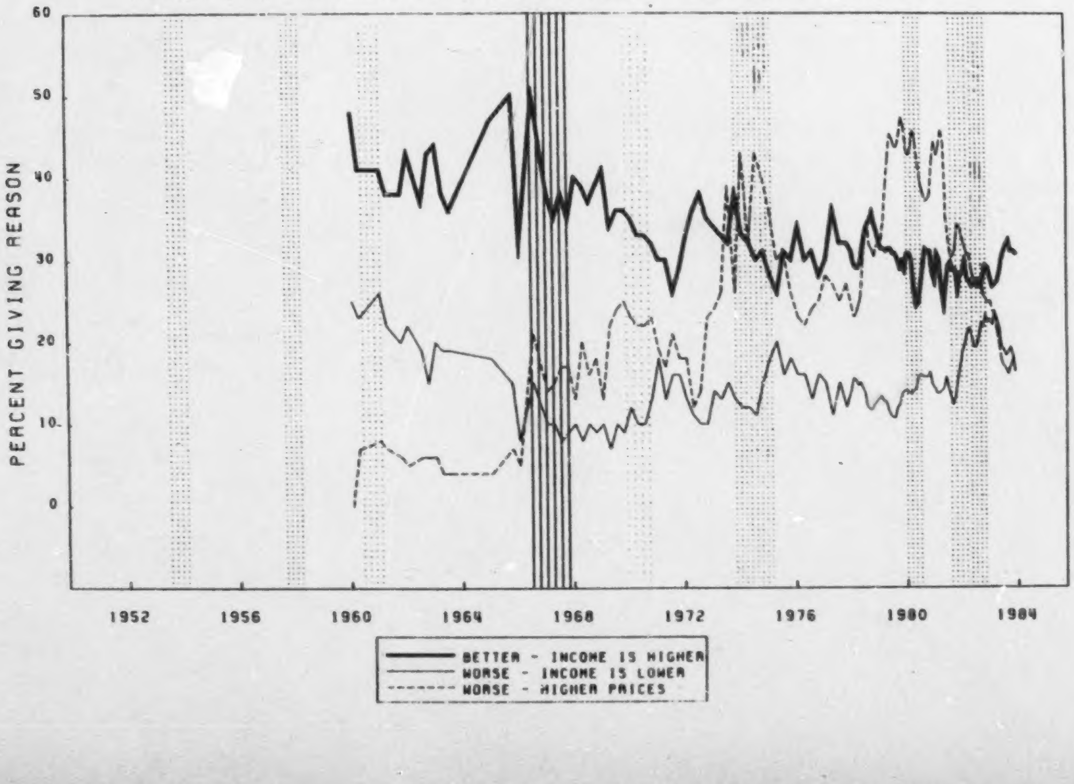


CHART 5 - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT PERSONAL FINANCIAL SITUATION



## TABLE 5

## SELECTED REASONS FOR OPINIONS ABOUT PERSONAL FINANCIAL SITUATION +

| | Dec. 1982 | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| BETTER OFF THAN YEAR AGO: | | | | | | | | | | | | | |
| Income is higher | 26% | 28% | 26% | 27% | 29% | 29% | 32% | 32% | 31% | 34% | 28% | 31% | 33% |
| WORSE OFF THAN YEAR AGO: | | | | | | | | | | | | | |
| Income is lower | 21 | 22 | 23 | 26 | 19 | 20 | 19 | 18 | 18 | 20 | 20 | 15 | 14 |
| Higher prices | 25 | 24 | 22 | 24 | 18 | 17 | 18 | 16 | 16 | 16 | 19 | 18 | 13 |

Responses to the query: "Why do you say so?" following the question on Table 4.

+ : May add to more than 100% due to multiple mentions.

CHART 6 - RECENT CHANGES
EXPECTED CHANGE IN FINANCIAL SITUATION

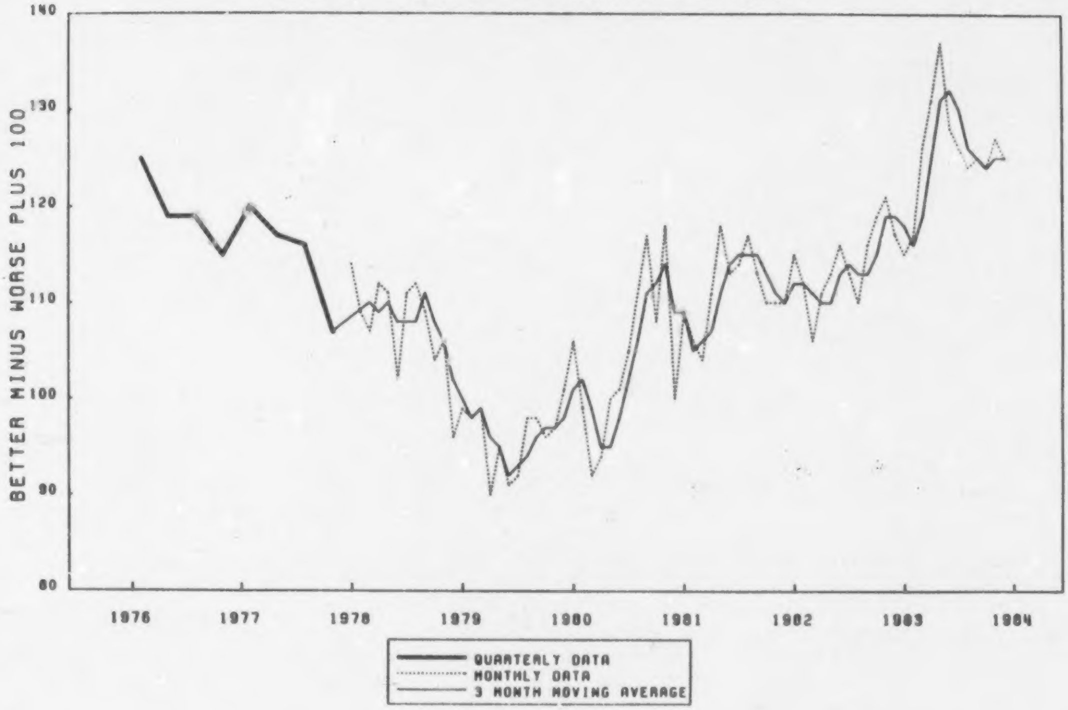
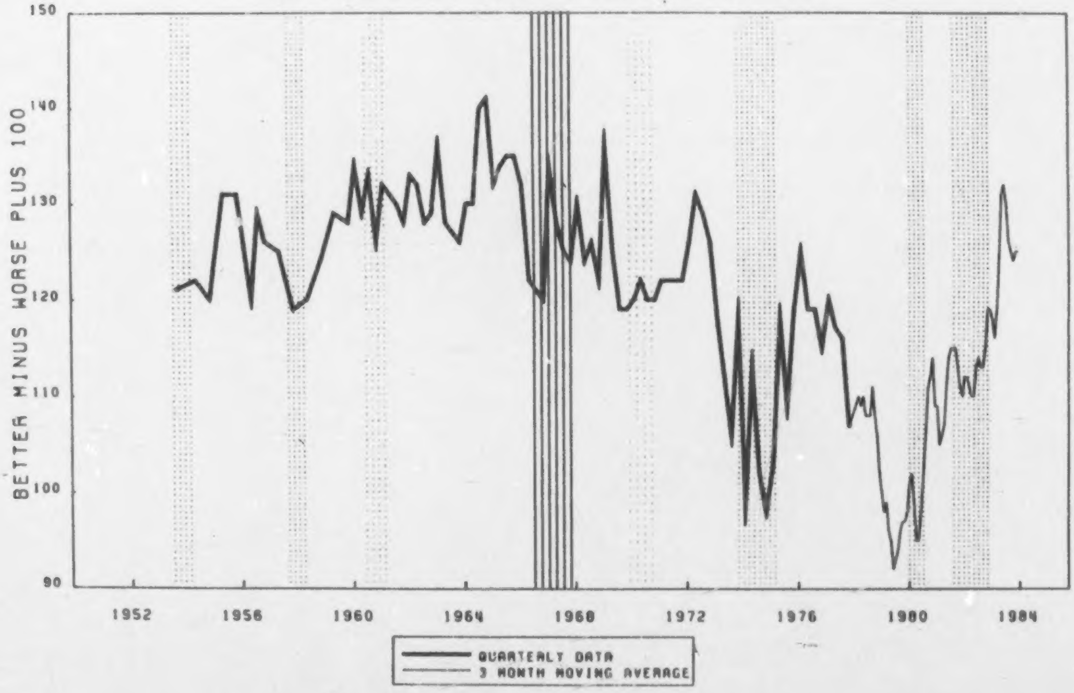


CHART 6 - HISTORICAL SERIES
EXPECTED CHANGE IN FINANCIAL SITUATION



## TABLE 6

## EXPECTED CHANGE IN FINANCIAL SITUATION

| | Dec. 1982 | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| BETTER OFF | 34% | 34% | 33% | 39% | 40% | 43% | 37% | 35% | 37% | 37% | 37% | 38% | 35% |
| SAME | 46 | 44 | 47 | 46 | 47 | 47 | 52 | 52 | 46 | 48 | 46 | 47 | 51 |
| WORSE OFF | 17 | 19 | 16 | 13 | 9 | 6 | 9 | 9 | 13 | 12 | 13 | 11 | 10 |
| DK,NA | 3 | 3 | 4 | 2 | 4 | 4 | 2 | 4 | 4 | 3 | 4 | 4 | 4 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 682 | 682 | 709 | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 |

The question was: "Now looking ahead--do you think that a year from now you (and your family living there) will be better off financially, or worse off, or just about the same as now?"

CHART 7 - RECENT CHANGES
TREND IN PERSONAL FINANCIAL SITUATION

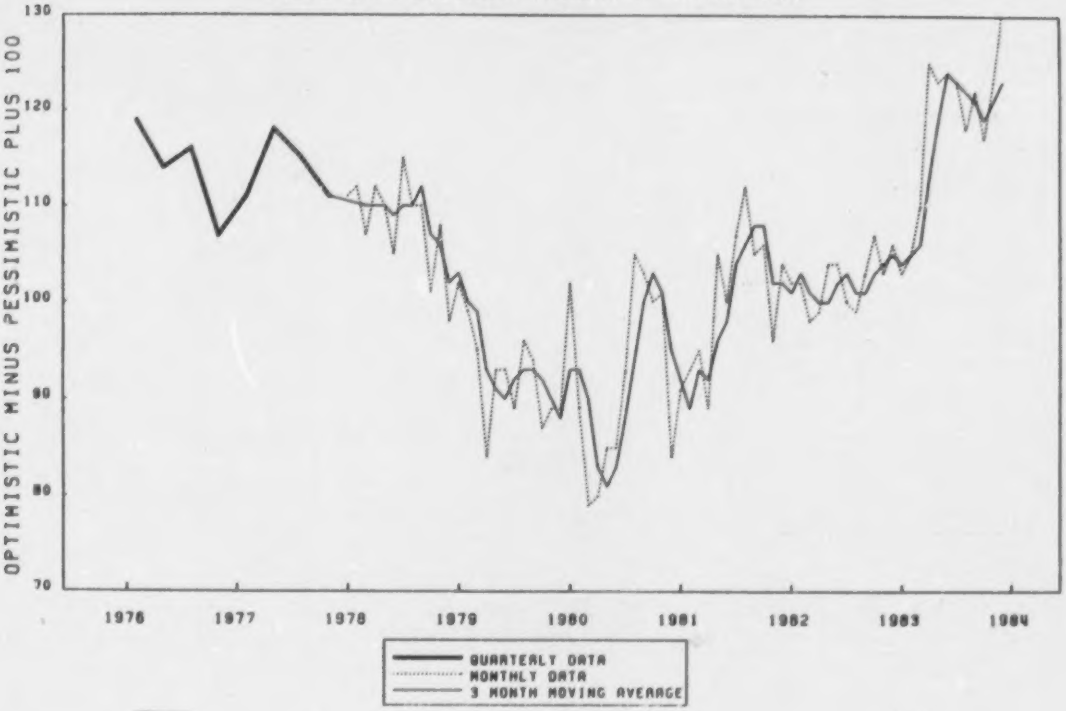
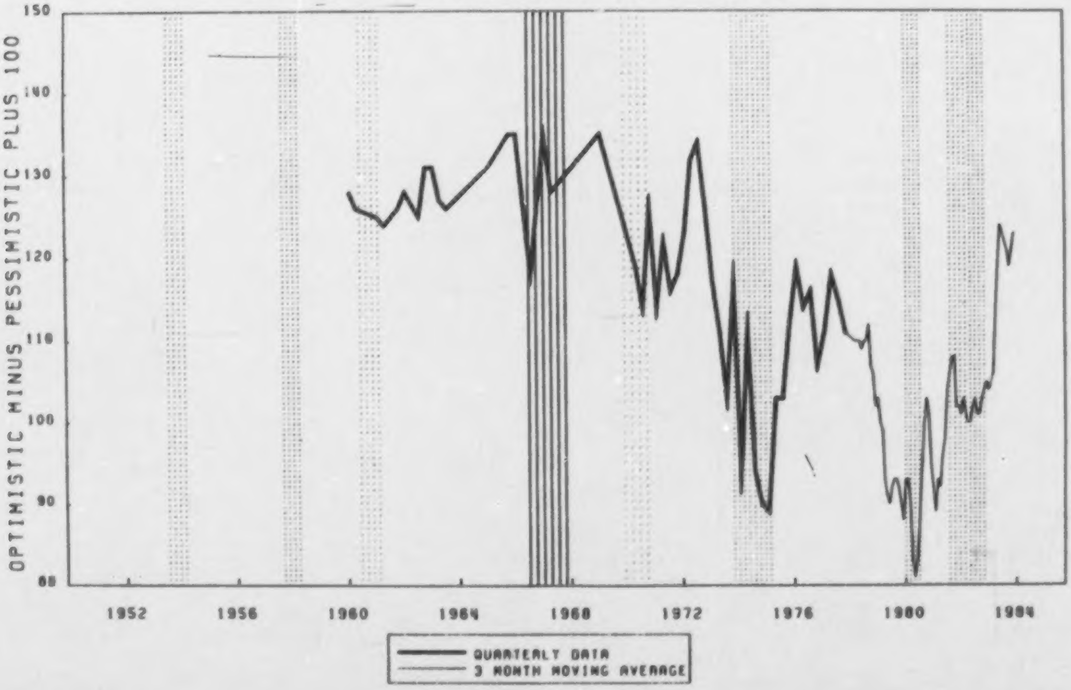


CHART 7 - HISTORICAL SERIES
TREND IN PERSONAL FINANCIAL SITUATION



## TABLE 7

## TREND IN PERSONAL FINANCIAL SITUATION

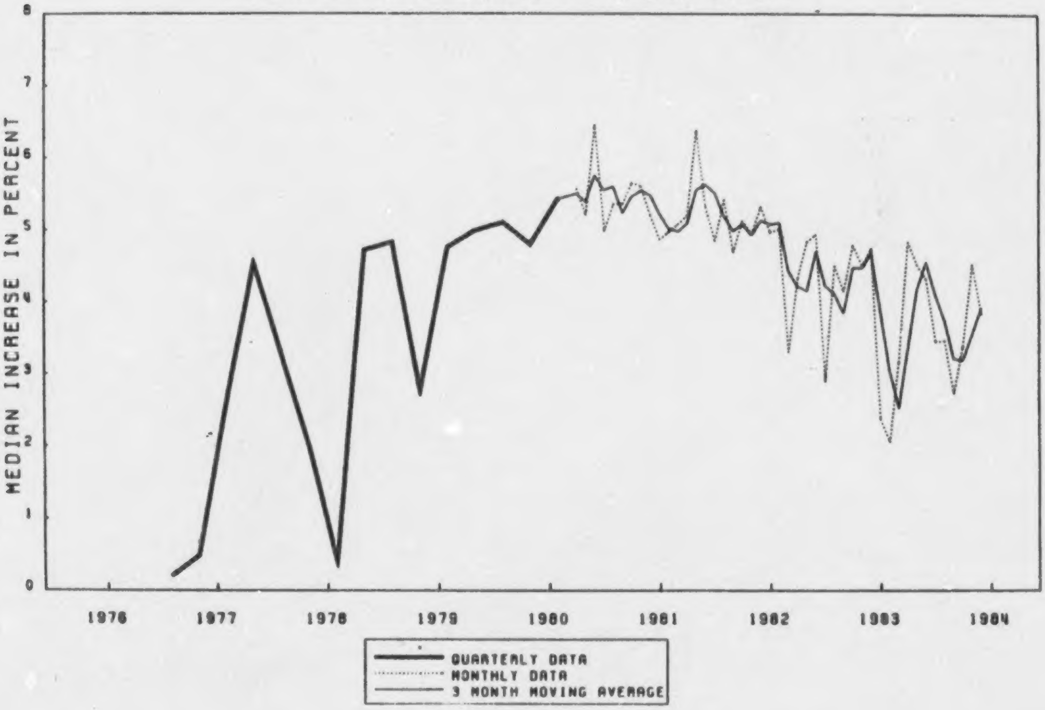
| | Dec. 1982 | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| PERSONAL FINANCIAL PROGRESS: | | | | | | | | | | | | | |
| Continuous increase (a) | 14% | 15% | 13% | 16% | 19% | 18% | 19% | 20% | 19% | 18% | 19% | 20% | 22% |
| Intermittent increase (b) | 22 | 20 | 22 | 22 | 26 | 25 | 26 | 24 | 23 | 27 | 23 | 23 | 26 |
| Remain unchanged (c) | 18 | 16 | 16 | 16 | 18 | 18 | 20 | 21 | 19 | 18 | 18 | 21 | 22 |
| Intermittent decline (d) | 18 | 21 | 20 | 21 | 15 | 18 | 17 | 16 | 18 | 17 | 18 | 15 | 13 |
| Continuous decline (e) | 12 | 11 | 10 | 7 | 5 | 2 | 4 | 5 | 6 | 6 | 7 | 5 | 5 |
| Mixed change (f) | 13 | 13 | 14 | 16 | 13 | 15 | 11 | 10 | 10 | 11 | 11 | 11 | 8 |
| DK,NA | 3 | 4 | 5 | 2 | 4 | 4 | 3 | 4 | 5 | 3 | 4 | 5 | 4 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 682 | 682 | 709 | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 |

Combination of the responses to the questions on Tables 4 and 6.

Key: (a) Better off financially than a year ago/Better off a year from now
(b) Better/Same or Same/Better
(c) Same/Same
(d) Worse/Same or Same/Worse
(e) Worse/Worse
(f) Worse/Better or Better/Worse

CHART 8 - RECENT CHANGES

MEDIAN EXPECTED CHANGE IN FAMILY INCOME



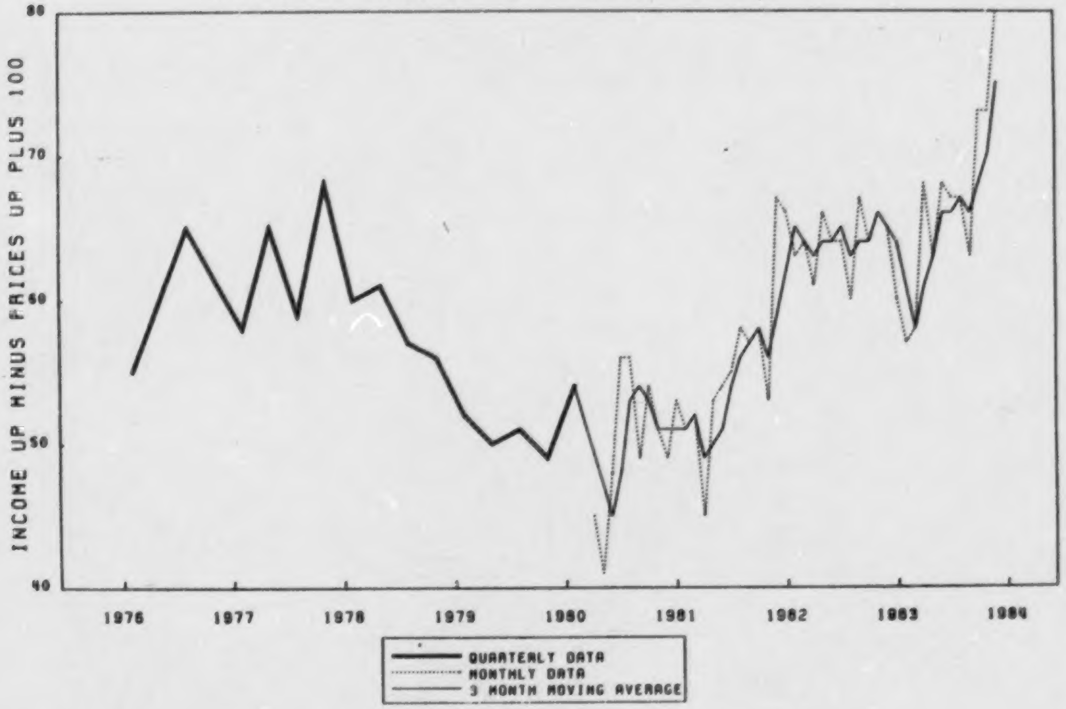
## TABLE 8

## EXPECTED FAMILY INCOME CHANGE DURING THE NEXT 12 MONTHS

| | Dec. 1982 | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| EXPECT INCREASE: | | | | | | | | | | | | | |
| 1-4% | 6% | 11% | 7% | 7% | 9% | 8% | 8% | 9% | 13% | 11% | 11% | 12% | 12% |
| 5% | 10 | 9 | 9 | 10 | 12 | 9 | 11 | 12 | 10 | 12 | 10 | 9 | 10 |
| 6-9% | 9 | 8 | 8 | 10 | 12 | 8 | 11 | 10 | 10 | 5 | 10 | 8 | 10 |
| 10-24% | 22 | 13 | 16 | 16 | 19 | 20 | 16 | 15 | 15 | 14 | 15 | 19 | 16 |
| 25% or more | 7 | 7 | 8 | 7 | 7 | 9 | 8 | 7 | 8 | 9 | 7 | 8 | 7 |
| DK how much up | 4 | 6 | 4 | 5 | 4 | 5 | 4 | 4 | 4 | 6 | 5 | 7 | 5 |
| EXPECT SAME | 24 | 28 | 30 | 26 | 25 | 26 | 28 | 28 | 23 | 30 | 26 | 23 | 26 |
| EXPECT DOWN | 17 | 17 | 16 | 17 | 10 | 14 | 13 | 13 | 14 | 12 | 13 | 11 | 12 |
| DK,NA | 1 | 1 | 2 | 2 | 2 | 1 | 1 | 2 | 3 | 1 | 3 | 3 | 2 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 682 | 682 | 709 | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 |

The questions were: "During the next 12 months, do you expect your (family) income to be higher or lower than during the past year?" and "By about what percent do you expect your (family) income to increase during the next 12 months?"

## CHART 9 - RECENT CHANGES
## INCOME OR PRICES UP MORE DURING THE LAST YEAR



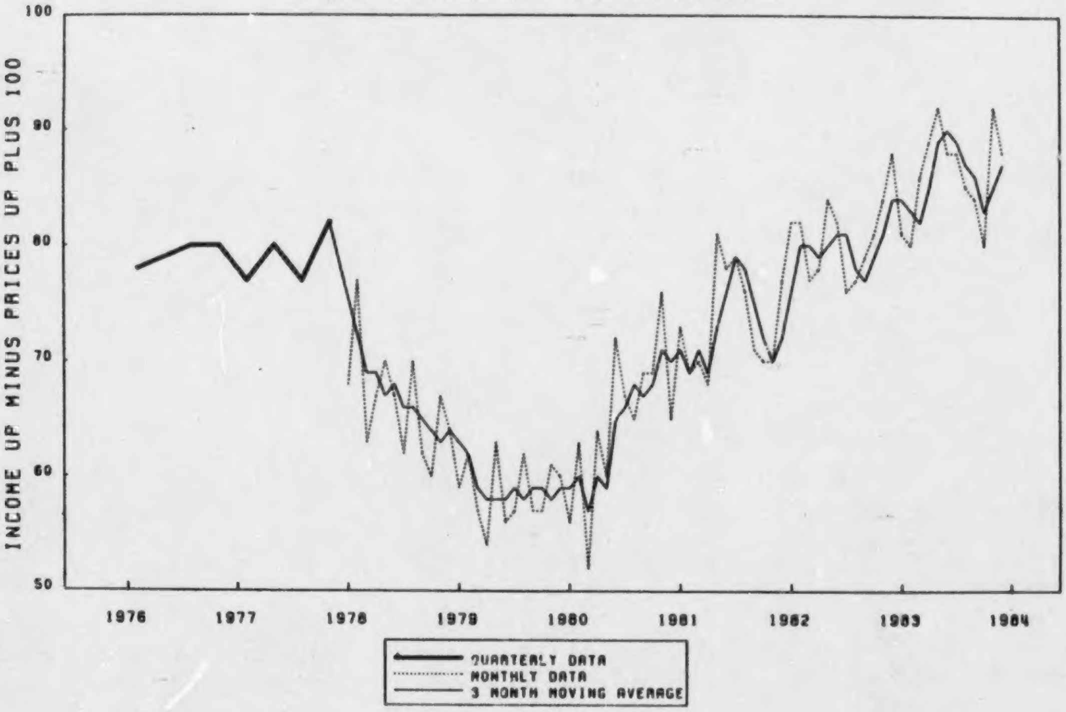
# TABLE 9

## PAST CHANGE IN REAL FAMILY INCOME

| | Dec. 1982 | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| INCOME UP MORE | 14% | 14% | 14% | 16% | 17% | 16% | 17% | 18% | 20% | 15% | 20% | 22% | 23% |
| INCOME UP SAME | 35 | 30 | 27 | 25 | 32 | 30 | 32 | 29 | 26 | 31 | 32 | 28 | 32 |
| PRICES UP MORE | 49 | 54 | 57 | 58 | 49 | 53 | 49 | 51 | 53 | 52 | 47 | 49 | 43 |
| DK,NA | 2 | 2 | 2 | 1 | 2 | 1 | 2 | 2 | 1 | 2 | 1 | 1 | 2 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 682 | 682 | 709 | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 |

The question was: "During the last year or two, would you say that your (family) income went up more than prices, went up about the same as prices, or went up less than prices?"

CHART 10 - RECENT CHANGES ·
INCOME OR PRICES UP MORE NEXT YEAR



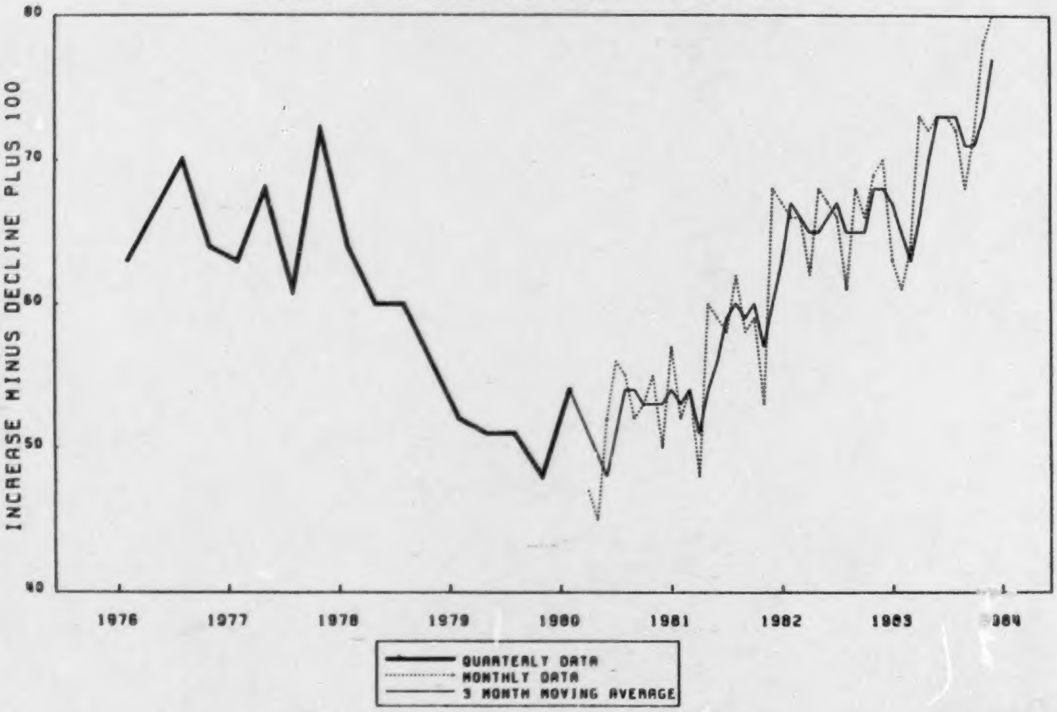
## TABLE 10

## EXPECTED CHANGE IN REAL FAMILY INCOME

| | Dec. 1982 | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| INCOME UP MORE | 21% | 19% | 16% | 21% | 19% | 24% | 20% | 22% | 19% | 19% | 18% | 23% | 20% |
| INCOME UP SAME | 44 | 40 | 44 | 41 | 46 | 42 | 46 | 41 | 43 | 44 | 41 | 42 | 45 |
| PRICES UP MORE | 33 | 38 | 36 | 35 | 30 | 32 | 32 | 34 | 34 | 35 | 38 | 31 | 32 |
| DK,NA | 2 | 3 | 4 | 3 | 5 | 2 | 2 | 3 | 4 | 2 | 3 | 4 | 3 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 682 | 682 | 709 | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 |

The question was: "How about the next year or two--do you expect that your (family) income will go up more than prices will go up, about the same, or less than prices will go up?"

CHART 11 - RECENT CHANGES
TREND IN INCOME AND PRICE COMPARISON



## TABLE 11

## TREND IN FAMILY INCOME AND PRICES COMPARISONS

| | Dec. 1982 | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| REAL INCOME PROGRESS: | | | | | | | | | | | | | |
| Continuous increase (a) | 8% | 8% | 8% | 10% | 9% | 10% | 9% | 10% | 10% | 8% | 11% | 13% | 12% |
| Intermittent increase (b) | 11 | 9 | 8 | 8 | 11 | 10 | 12 | 13 | 13 | 10 | 10 | 12 | 14 |
| Remain unchanged (c) | 21 | 18 | 17 | 15 | 21 | 19 | 21 | 17 | 16 | 21 | 20 | 17 | 19 |
| Intermittent decline (d) | 25 | 24 | 27 | 27 | 23 | 23 | 23 | 23 | 24 | 23 | 21 | 23 | 23 |
| Continuous decline (e) | 24 | 30 | 28 | 27 | 24 | 25 | 25 | 27 | 27 | 27 | 28 | 24 | 23 |
| Mixed change (f) | 7 | 7 | 7 | 9 | 7 | 11 | 7 | 7 | 6 | 8 | 7 | 7 | 6 |
| DK,NA | 4 | 4 | 5 | 4 | 5 | 2 | 3 | 3 | 4 | 3 | 3 | 4 | 3 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 682 | 682 | 709 | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 |

Combination of the responses to the questions on Tables 9 and 10.

Key: (a) Income up more last year/Income up more next year
(b) Income up more/Same or Income up same/More
(c) Income up same/Same
(d) Prices up more/Same or Prices up same/More
(e) Prices up more/More
(f) Income up more/Prices up more or Prices up more/Income up more

CHART 12 - RECENT CHANGES
NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS

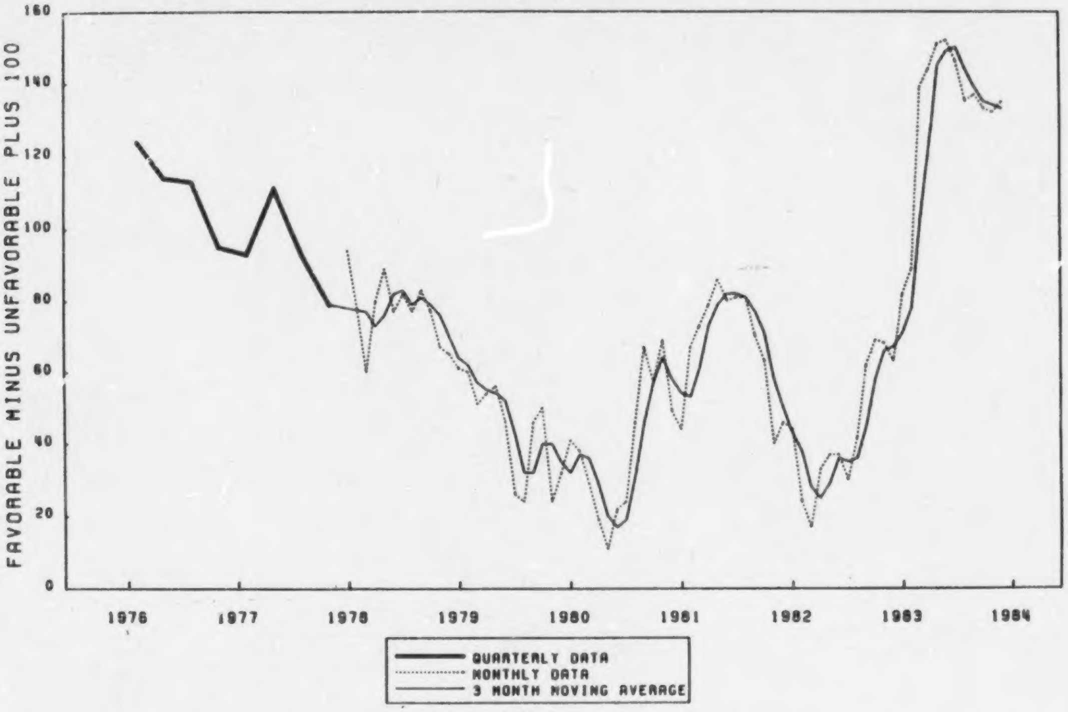
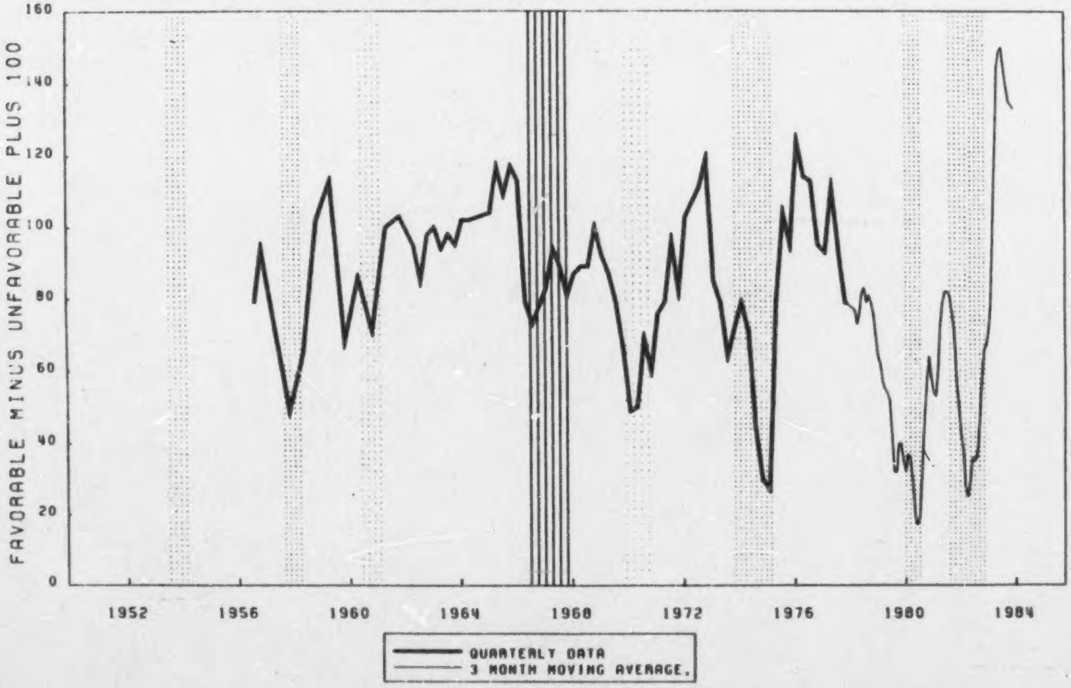


CHART 12 - HISTORICAL SERIES
NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS



## TABLE 12

## NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS +

| | Dec. 1982 | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| FAVORABLE NEWS | 39% | 47% | 49% | 79% | 76% | 80% | 83% | 74% | 69% | 64% | 63% | 62% | 60% |
| UNFAVORABLE NEWS | 76 | 65 | 60 | 40 | 32 | 29 | 31 | 28 | 34 | 27 | 30 | 30 | 25 |
| NO MENTIONS | 27 | 28 | 32 | 28 | 32 | 31 | 27 | 34 | 34 | 43 | 41 | 39 | 42 |

The questions were: "During the last few months, have you heard of any favorable or unfavorable changes in business conditions?" and "What did you hear?"

+ : May add to more than 100% due to multiple mentions.

CHART 13A - HISTORICAL SERIES
TYPE OF NEWS HEARD ABOUT CHANGES IN BUSINESS CONDITIONS

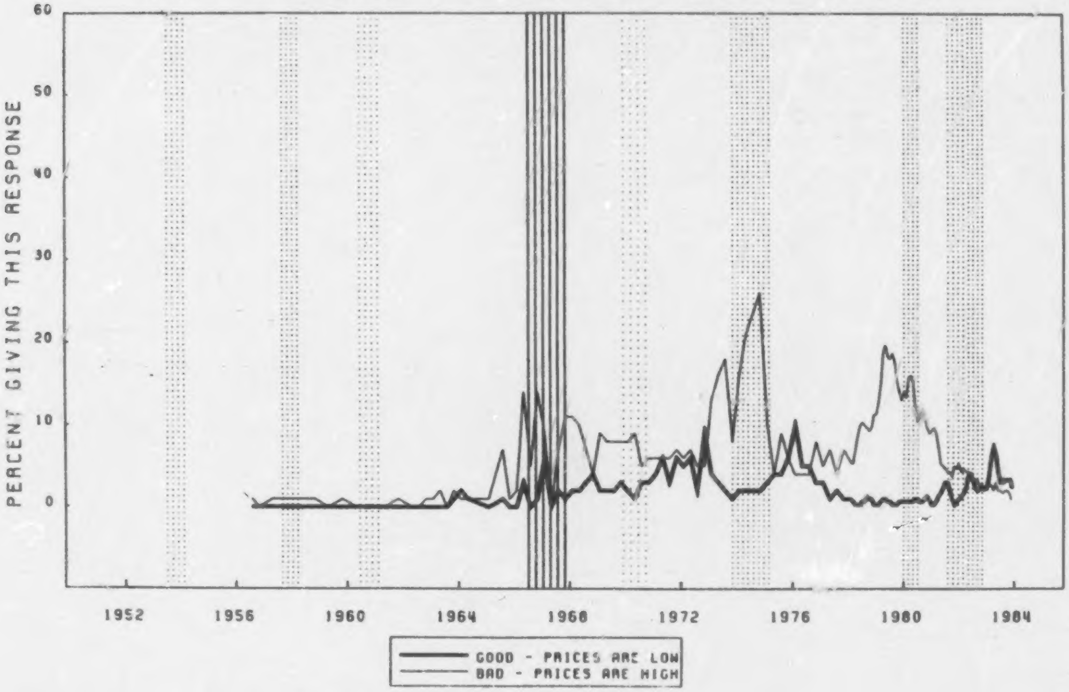
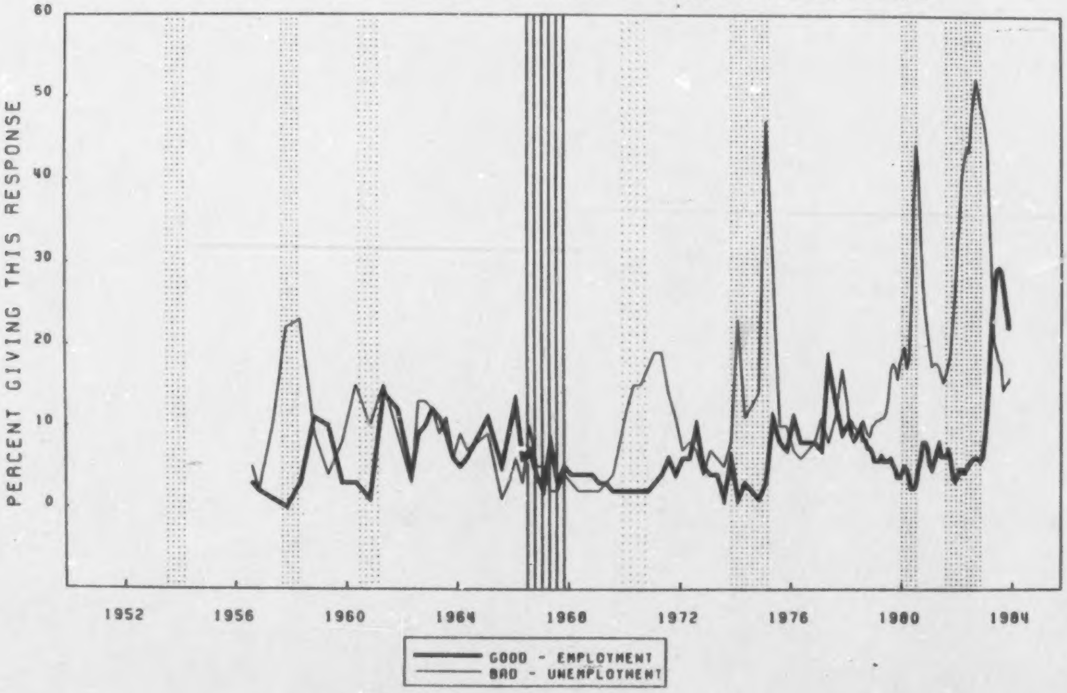


CHART 13B - HISTORICAL SERIES
TYPE OF NEWS HEARD ABOUT CHANGES IN BUSINESS CONDITIONS



## TABLE 13

## SELECTED ITEMS OF NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS +

| | Dec. 1982 | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| FAVORABLE NEWS: | | | | | | | | | | | | | |
| Government; elections | 2% | 3% | 2% | 2% | 2% | 1% | 1% | 2% | 2% | 1% | 2% | 2% | 1% |
| Employment | 7 | 12 | 17 | 22 | 29 | 28 | 31 | 29 | 27 | 25 | 23 | 22 | 22 |
| Consumer demand high | 3 | 4 | 6 | 8 | 8 | 11 | 12 | 11 | 13 | 11 | 11 | 13 | 12 |
| Prices are low | 2 | 3 | 6 | 9 | 7 | 3 | 3 | 3 | 3 | 4 | 3 | 3 | 2 |
| Credit is easy | 15 | 15 | 9 | 17 | 15 | 16 | 17 | 11 | 8 | 8 | 7 | 5 | 4 |
| UNFAVORABLE NEWS: | | | | | | | | | | | | | |
| Government; elections | 3 | 3 | 4 | 2 | 3 | 3 | 2 | 2 | 3 | 1 | 1 | 2 | 3 |
| Unemployment | 49 | 43 | 39 | 24 | 20 | 17 | 21 | 16 | 16 | 11 | 18 | 17 | 13 |
| Consumer demand low | 8 | 5 | 3 | 3 | 3 | 2 | 2 | 2 | 2 | 1 | 1 | 2 | * |
| Prices are high | 2 | 3 | 3 | 2 | 1 | 3 | 2 | 1 | 2 | 3 | 1 | 1 | 1 |
| Credit is tight | 1 | 2 | 1 | * | 1 | 1 | 1 | 3 | 6 | 4 | 2 | 1 | 2 |
| Energy crisis | * | * | * | * | * | * | * | * | * | * | * | * | * |

The questions were: "During the last few months, have you heard of any favorable or unfavorable changes in business conditions?" and "What did you hear?"

+ : May add to more than 100% due to multiple mentions.

* : Less than half of one percent.

CHART 14 - RECENT CHANGES

CURRENT BUSINESS CONDITIONS COMPARED WITH A YEAR AGO

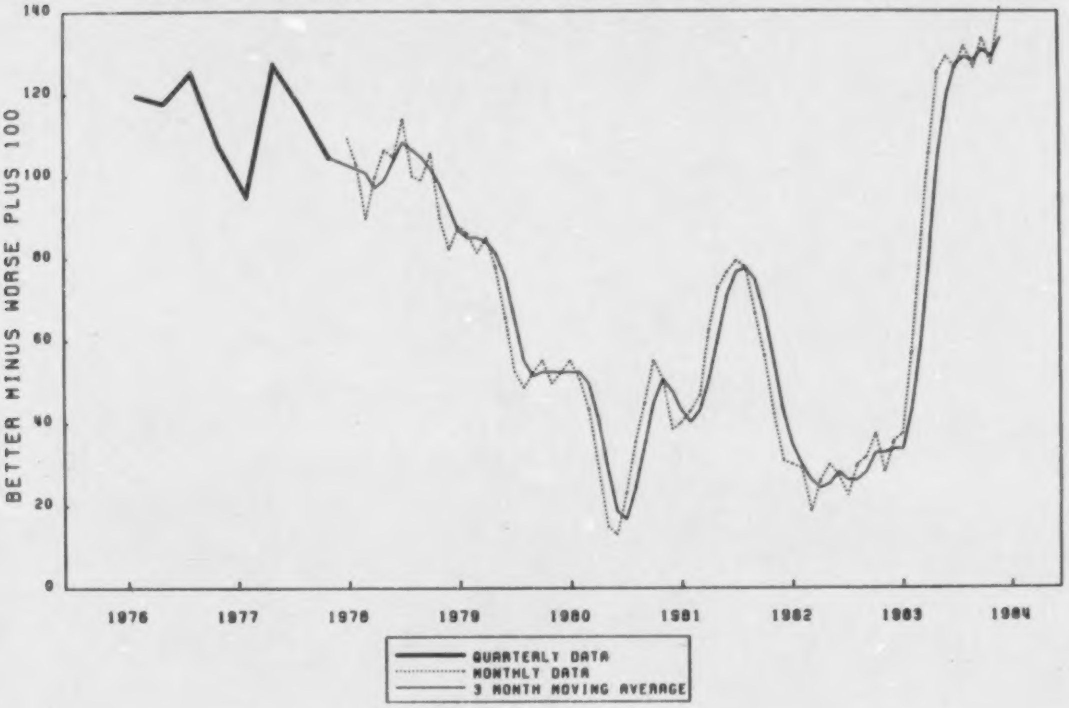
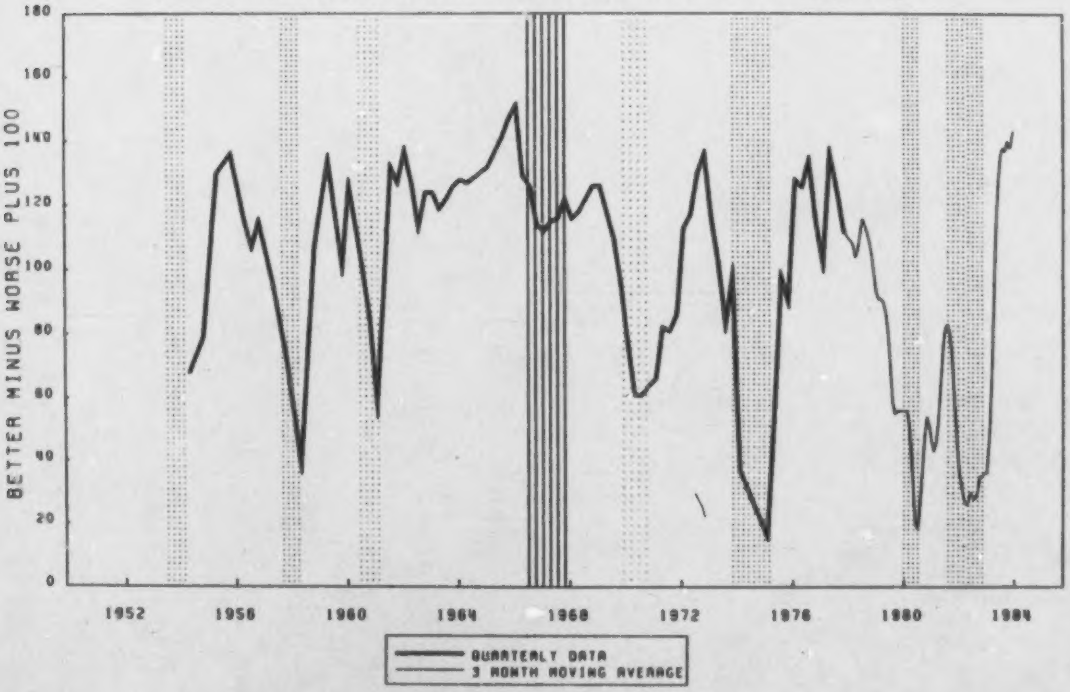


CHART 14 - HISTORICAL SERIES

CURRENT BUSINESS CONDITIONS COMPARED WITH A YEAR AGO



## TABLE 14

## CURRENT BUSINESS CONDITIONS COMPARED TO A YEAR AGO

| | Dec. 1982 | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| BETTER NOW | 14% | 16% | 26% | 39% | 51% | 62% | 64% | 63% | 66% | 62% | 66% | 63% | 71% |
| SAME | 9 | 8 | 8 | 10 | 10 | 10 | 9 | 8 | 8 | 10 | 9 | 8 | 8 |
| WORSE NOW | 76 | 76 | 65 | 51 | 38 | 28 | 26 | 28 | 25 | 27 | 23 | 27 | 20 |
| DK,NA | 1 | * | 1 | * | 1 | * | 1 | 1 | 1 | 1 | 2 | 2 | 1 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 682 | 682 | 709 | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 |

The question was: "Would you say that at the present time business conditions are better or worse than they were a year ago?"

* : Less than half of one percent.

CHART 15 - RECENT CHANGES
EXPECTED CHANGE IN BUSINESS CONDITIONS IN A YEAR

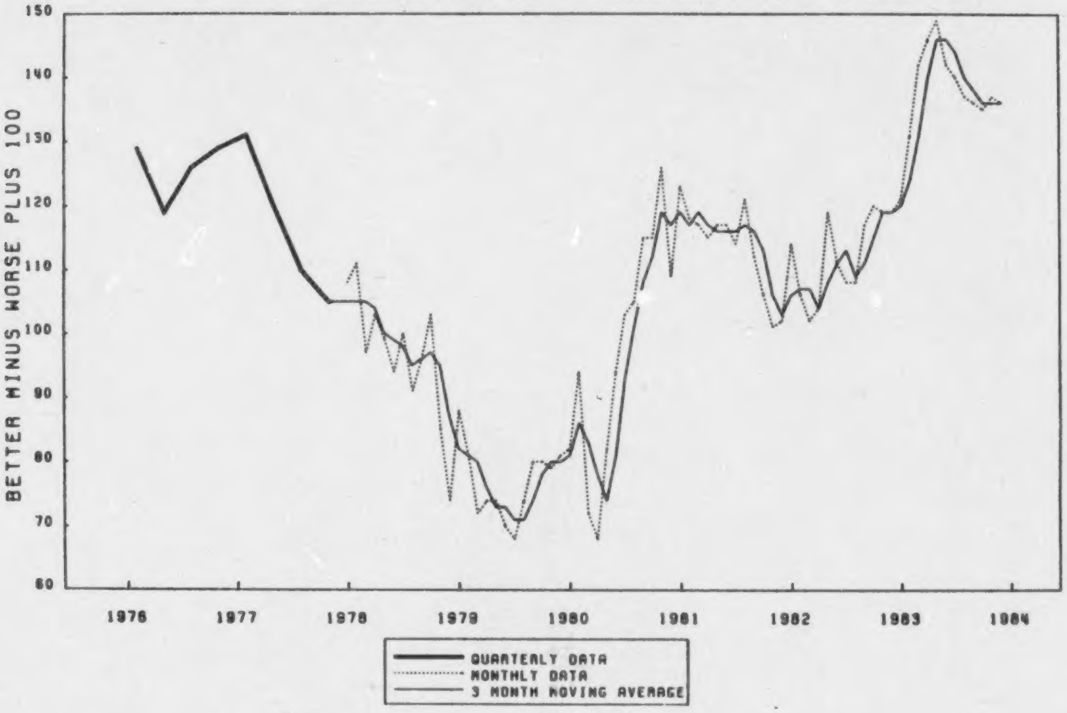
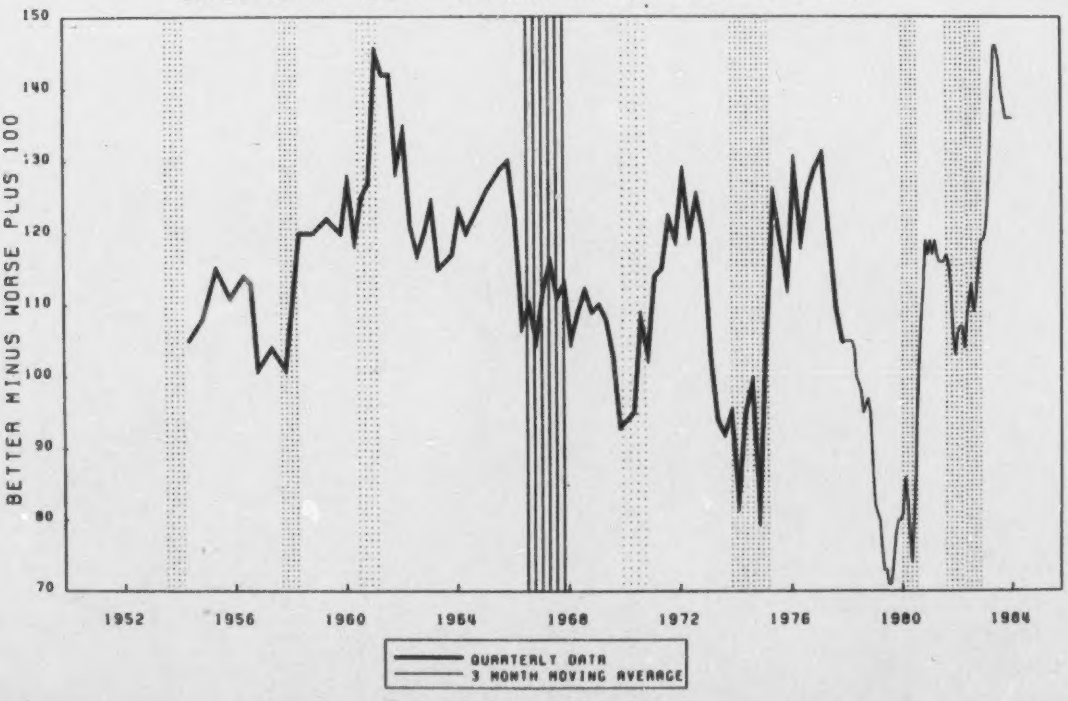


CHART 15 - HISTORICAL SERIES
EXPECTED CHANGE IN BUSINESS CONDITIONS IN A YEAR



## TABLE 15

## EXPECTED CHANGE IN BUSINESS CONDITIONS IN A YEAR

| | Dec. 1982 | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| BETTER | 39% | 38% | 45% | 51% | 53% | 55% | 49% | 48% | 47% | 46% | 46% | 46% | 44% |
| SAME | 41 | 43 | 40 | 39 | 38 | 38 | 42 | 42 | 42 | 42 | 41 | 43 | 45 |
| WORSE | 20 | 17 | 14 | 9 | 7 | 6 | 7 | 8 | 10 | 10 | 11 | 9 | 8 |
| DK,NA | * | 2 | 1 | 1 | 2 | 1 | 2 | 2 | 1 | 2 | 2 | 2 | 3 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 682 | 682 | 709 | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 |

The question was: "And how about a year from now, do you expect that in the country as a whole business conditions will be better, or worse than they are at present, or just about the same?"

* : Less than half of one percent.

CHART 16A - HISTORICAL SERIES

REASONS FOR OPINIONS ABOUT BUSINESS CONDITIONS IN A YEAR

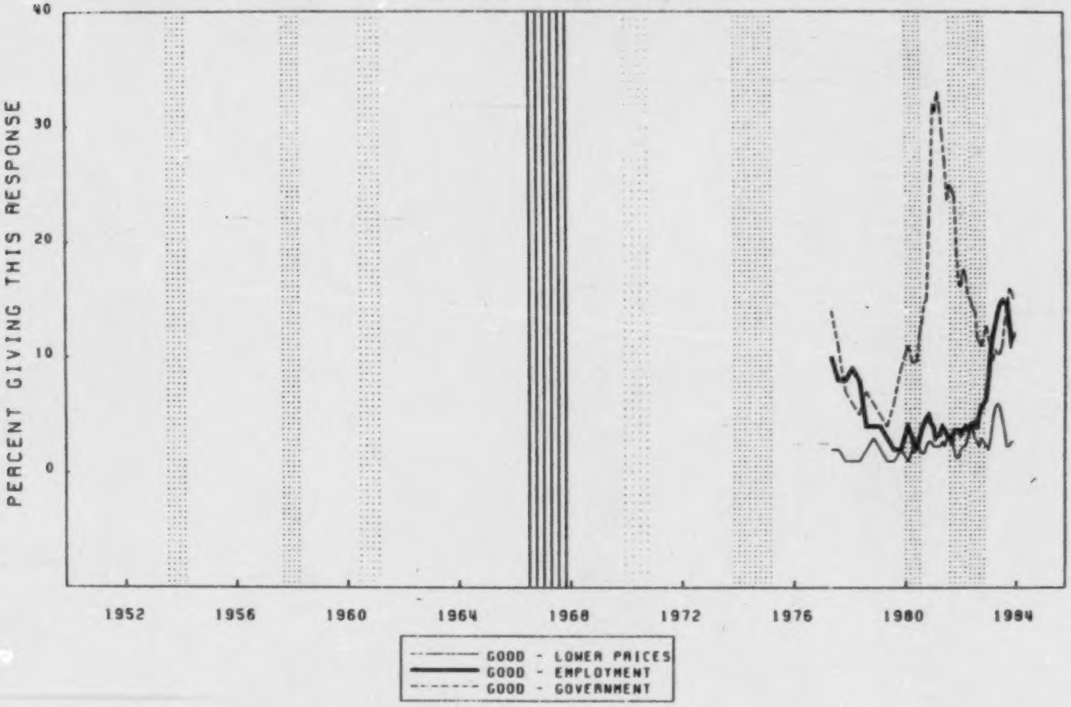
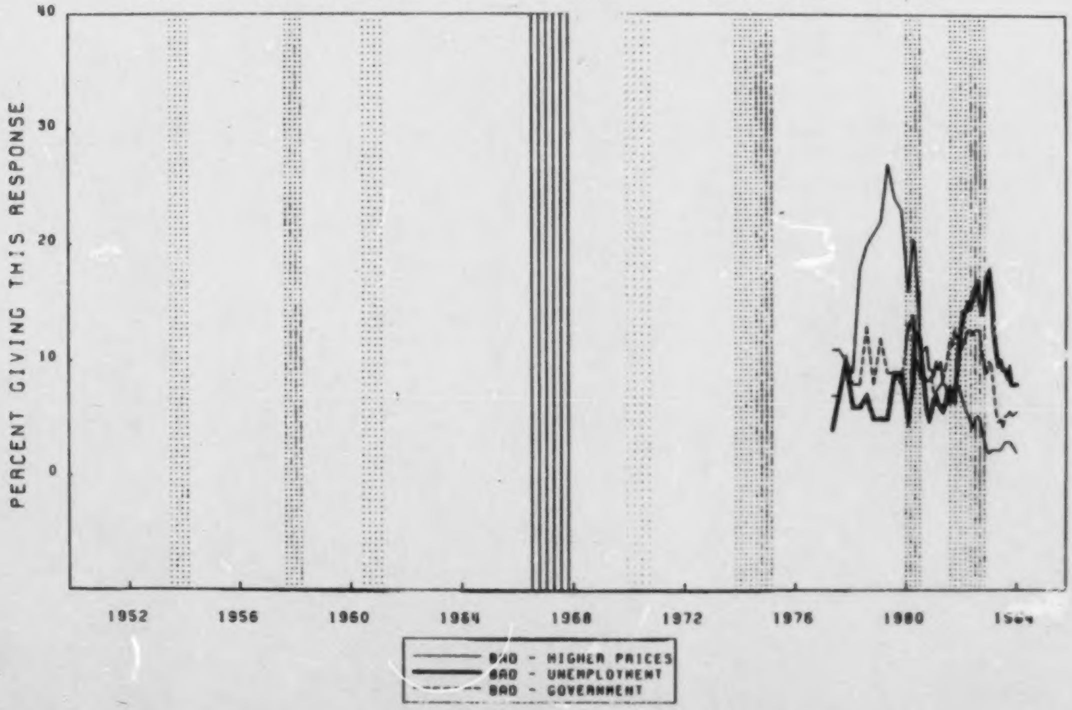


CHART 16B - HISTORICAL SERIES

REASONS FOR OPINIONS ABOUT BUSINESS CONDITIONS IN A YEAR



## TABLE 16

## REASONS FOR OPINIONS ABOUT CHANGES IN BUSINESS CONDITIONS IN A YEAR +

| | Dec. 1982 | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| FAVORABLE REASONS: | | | | | | | | | | | | | |
| Government; elections | 13% | 8% | 11% | 10% | 11% | 10% | 10% | 13% | 16% | 15% | 17% | 15% | 13% |
| Employment | 8 | 11 | 13 | 12 | 14 | 16 | 14 | 15 | 15 | 14 | 10 | 10 | 16 |
| Higher consumer demand | 6 | 5 | 7 | 6 | 9 | 10 | 9 | 7 | 6 | 7 | 8 | 8 | 8 |
| Lower prices | 2 | 3 | 4 | 7 | 6 | 5 | 6 | 3 | 2 | 2 | 3 | 2 | 3 |
| Easier credit | 12 | 12 | 12 | 13 | 14 | 12 | 12 | 7 | 6 | 5 | 6 | 4 | 4 |
| UNFAVORABLE REASONS: | | | | | | | | | | | | | |
| Government; elections | 11 | 11 | 7 | 5 | 5 | 4 | 6 | 4 | 6 | 6 | 5 | 5 | 6 |
| Unemployment | 20 | 15 | 13 | 10 | 10 | 9 | 11 | 8 | 9 | 9 | 10 | 8 | 8 |
| Lower consumer demand | 5 | 4 | 4 | 2 | 4 | 2 | 2 | 4 | 3 | 1 | 3 | 2 | 2 |
| Higher prices | 2 | 2 | 3 | 2 | 2 | 3 | 2 | 3 | 4 | 2 | 3 | 3 | 2 |
| Tighter credit | 2 | 2 | 2 | 1 | 2 | 2 | 3 | 4 | 3 | 2 | 2 | 2 | 1 |
| Energy crisis | * | * | * | * | * | * | * | * | * | * | * | * | * |

The question was: "Why do you expect business conditions to be better/the same/worse a year from now?" following the question on table 15.

+ : May add to more than 100% due to multiple mentions.

* : Less than half of one percent.

CHART 17 - RECENT CHANGES
TREND IN PAST AND EXPECTED BUSINESS CONDITIONS

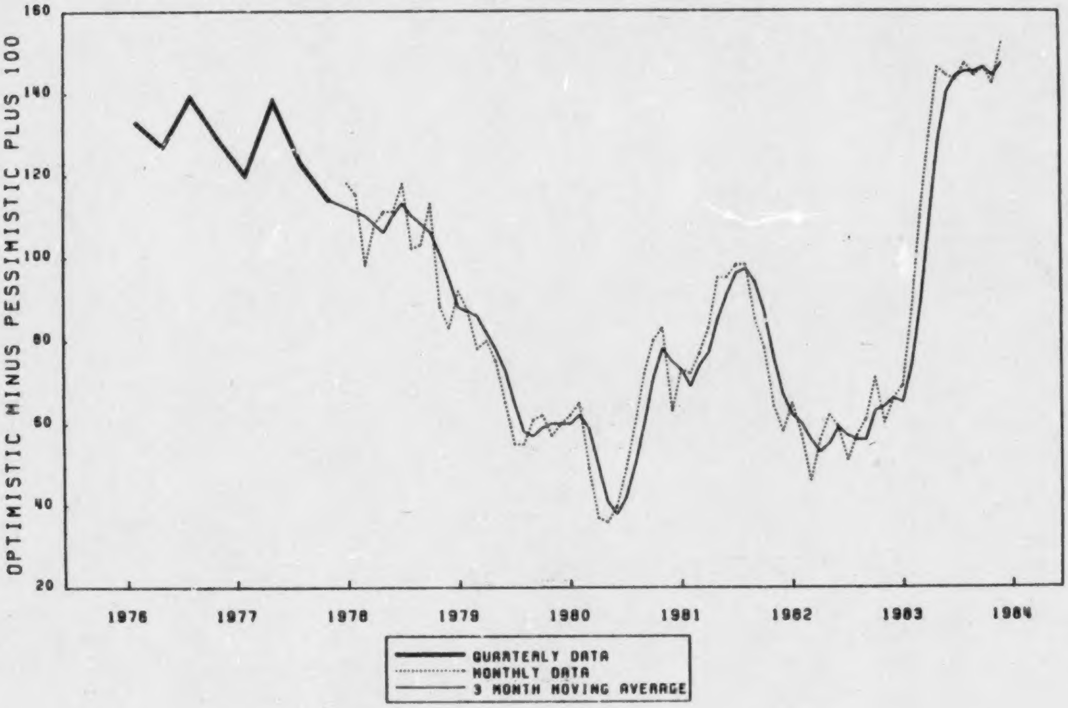
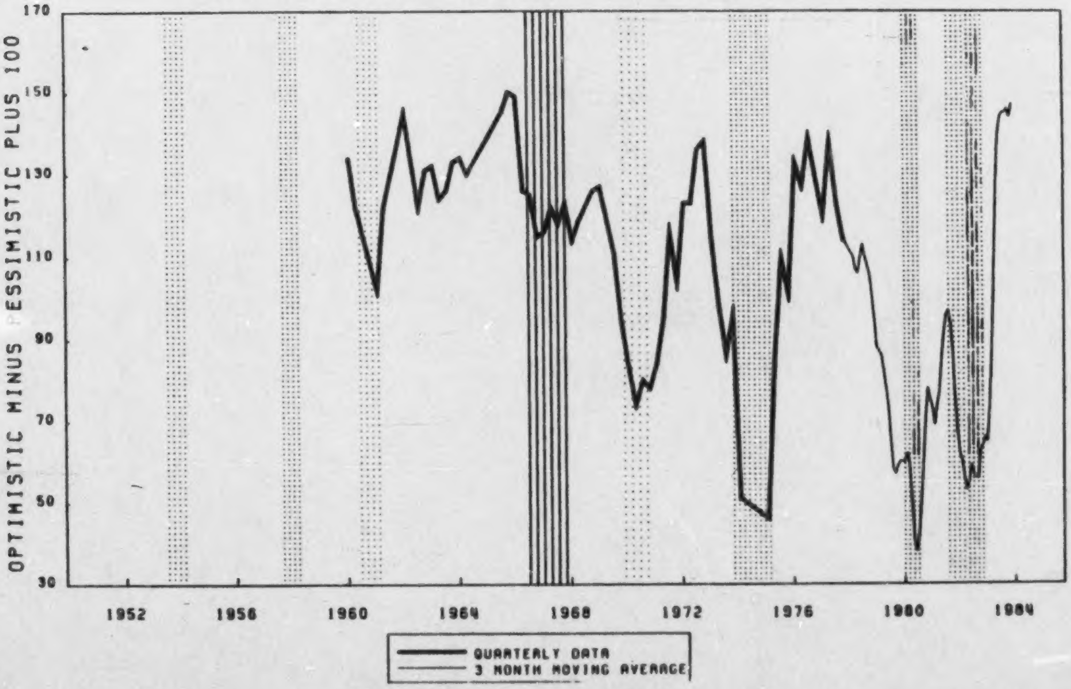


CHART 17 - HISTORICAL SERIES
TREND IN PAST AND EXPECTED BUSINESS CONDITIONS



## TABLE 17

## TREND IN PAST AND EXPECTED CHANGES IN BUSINESS CONDITIONS

| | Dec. 1982 | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| TREND: | | | | | | | | | | | | | |
| Continuous increase (a) | 8% | 11% | 18% | 28% | 36% | 42% | 39% | 39% | 38% | 34% | 39% | 36% | 38% |
| Intermittent increase (b) | 9 | 9 | 11 | 15 | 18 | 23 | 26 | 24 | 27 | 28 | 26 | 27 | 30 |
| Remain unchanged (c) | 4 | 3 | 4 | 4 | 5 | 5 | 5 | 5 | 6 | 7 | 5 | 4 | 6 |
| Intermittent decline (d) | 33 | 35 | 29 | 25 | 19 | 14 | 16 | 15 | 12 | 12 | 13 | 17 | 12 |
| Continuous decline (e) | 18 | 16 | 13 | 8 | 6 | 5 | 5 | 5 | 6 | 6 | 6 | 4 | 4 |
| Mixed change (f) | 27 | 24 | 23 | 18 | 14 | 10 | 7 | 9 | 9 | 10 | 7 | 9 | 7 |
| DK,NA | 1 | 2 | 2 | 2 | 2 | 1 | 2 | 3 | 2 | 3 | 4 | 3 | 3 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 682 | 682 | 709 | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 |

Combination of the responses to the questions on Tables 14 and 15.

Key: (a) Better than a year ago/Better a year from now
(b) Better/Same or Same/Better
(c) Same/Same
(d) Worse/Same or Same/Worse
(e) Worse/Worse
(f) Worse/Better or Better/Worse

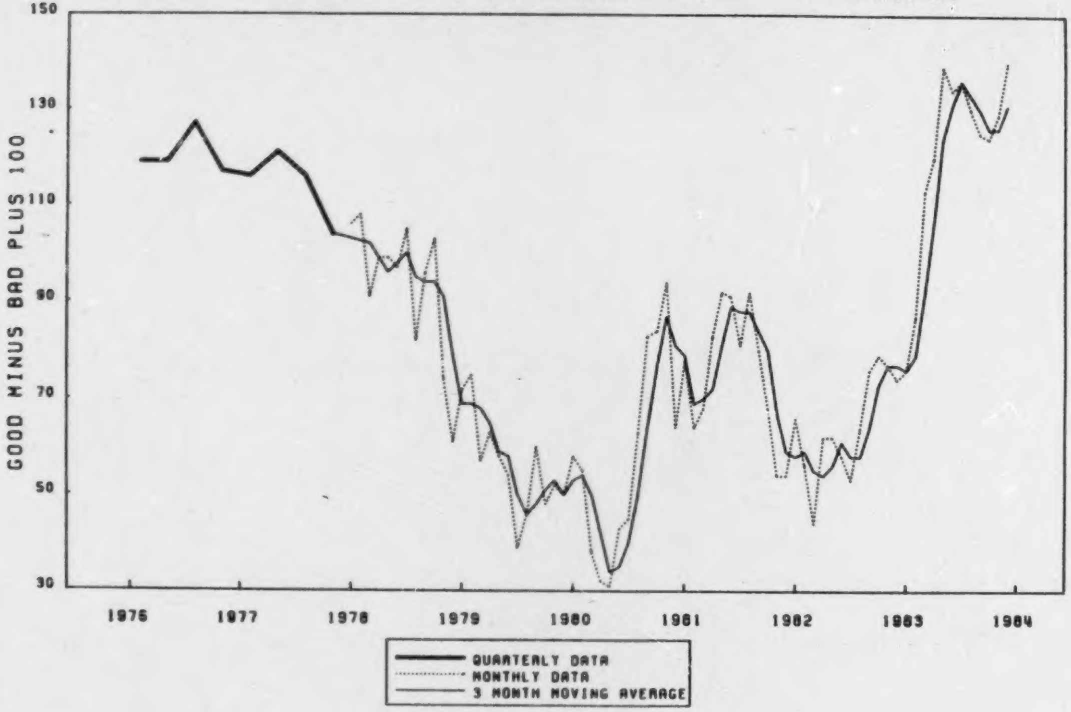


CHART 18 - RECENT CHANGES
BUSINESS CONDITIONS EXPECTED DURING THE NEXT TWELVE MONTHS

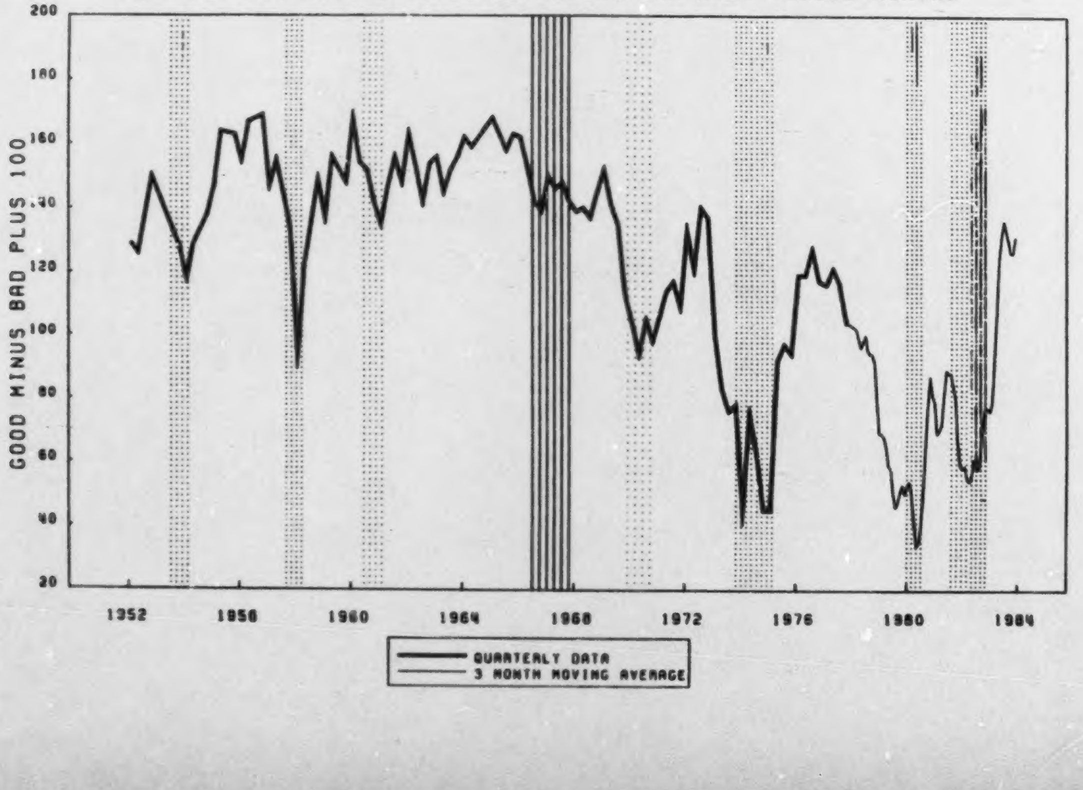


CHART 18 - HISTORICAL SERIES
BUSINESS CONDITIONS EXPECTED DURING THE NEXT TWELVE MONTHS

TABLE 18

## BUSINESS CONDITIONS EXPECTED DURING THE NEXT 12 MONTHS

| | Dec. 1982 | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| GOOD TIMES | 32% | 34% | 39% | 52% | 56% | 65% | 63% | 63% | 60% | 58% | 58% | 59% | 67% |
| UNCERTAIN; GOOD & BAD | 2 | 1 | 1 | 2 | 1 | 2 | 3 | 3 | 3 | 2 | 3 | 3 | 2 |
| BAD TIMES | 58 | 58 | 52 | 39 | 36 | 26 | 29 | 27 | 30 | 33 | 34 | 30 | 27 |
| DON'T KNOW | 5 | 3 | 3 | 4 | 3 | 4 | 3 | 6 | 5 | 5 | 4 | 6 | 3 |
| NOT ASCERTAINED | 3 | 4 | 5 | 3 | 4 | 3 | 2 | 1 | 2 | 2 | 1 | 2 | 1 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 682 | 682 | 709 | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 |

The question was: "Now turning to business conditions in the country as a whole--do you think that during the next 12 months we'll have good times financially, or bad times or what?"

CHART 19 - RECENT CHANGES
BUSINESS CONDITIONS EXPECTED FOR THE NEXT FIVE YEARS

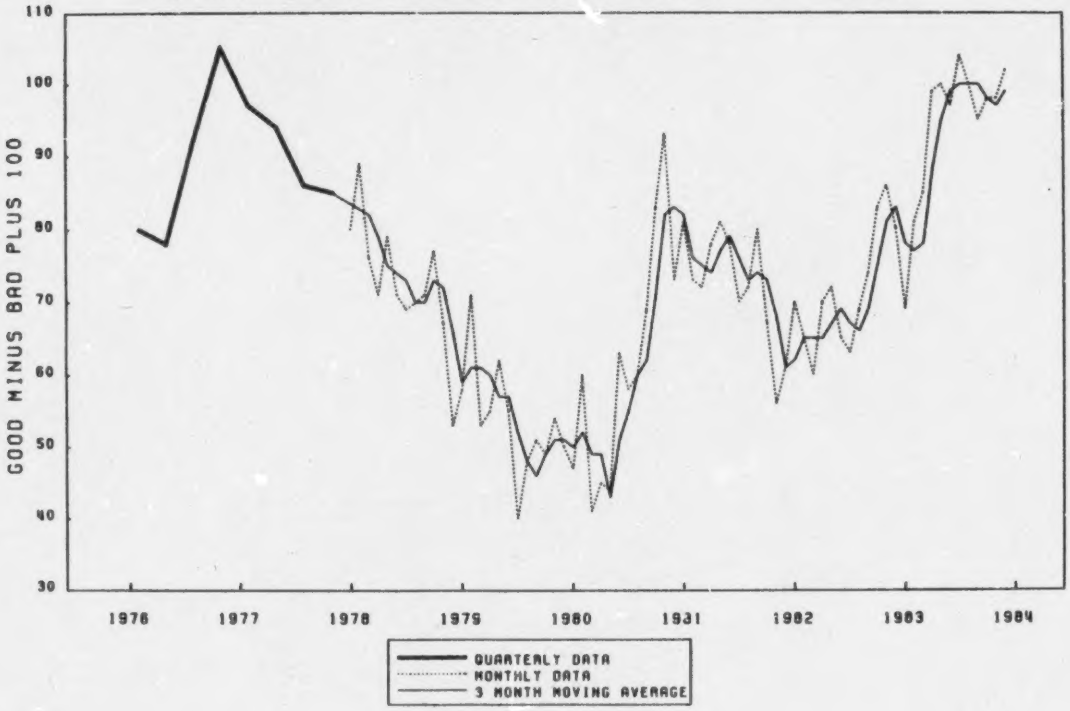
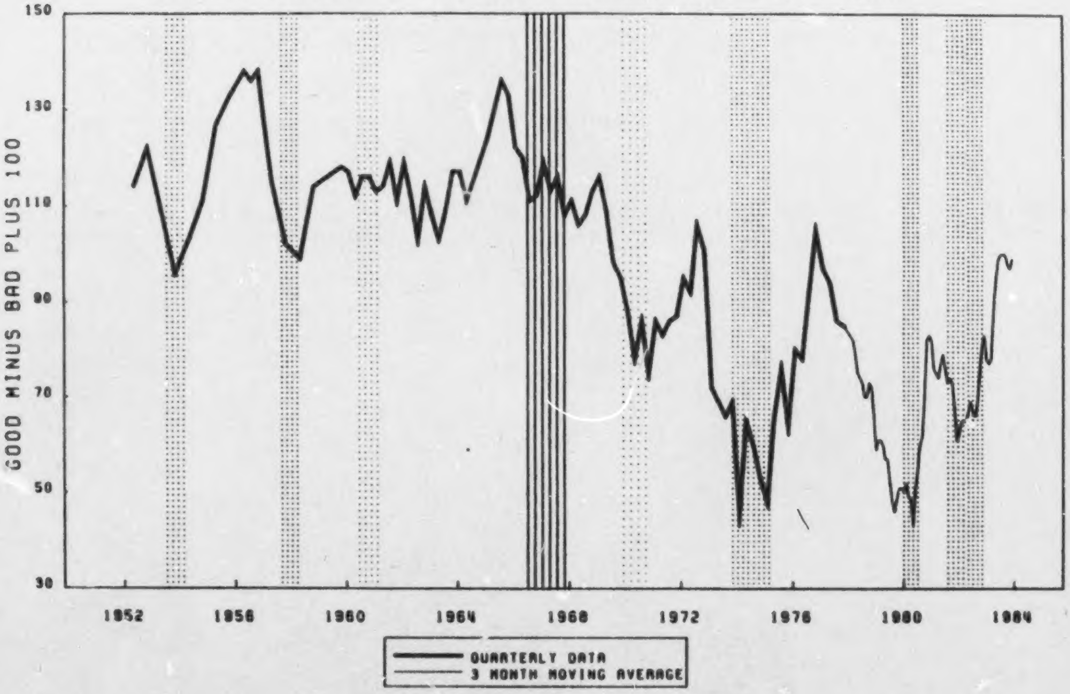


CHART 19 - HISTORICAL SERIES
BUSINESS CONDITIONS EXPECTED FOR THE NEXT FIVE YEARS



## TABLE 19

## BUSINESS CONDITIONS EXPECTED DURING THE NEXT FIVE YEARS

| | Dec. 1982 | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| GOOD TIMES | 29% | 26% | 31% | 33% | 38% | 39% | 39% | 39% | 37% | 37% | 39% | 39% | 39% |
| UNCERTAIN; GOOD & BAD | 14 | 12 | 13 | 15 | 18 | 18 | 15 | 20 | 22 | 19 | 17 | 15 | 21 |
| BAD TIMES | 49 | 57 | 50 | 48 | 39 | 39 | 42 | 35 | 37 | 42 | 41 | 41 | 37 |
| NOT ASCERTAINED | 8 | 5 | 6 | 4 | 5 | 4 | 4 | 6 | 4 | 2 | 3 | 5 | 3 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 682 | 682 | 709 | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 |

The question was: "Looking ahead, which would you say is more likely--that in the country as a whole we'll have continuous good times during the next 5 years or so, or that we will have periods of widespread unemployment or depression, or what?"

CHART 20 - RECENT CHANGES
EXPECTED CHANGE IN UNEMPLOYMENT

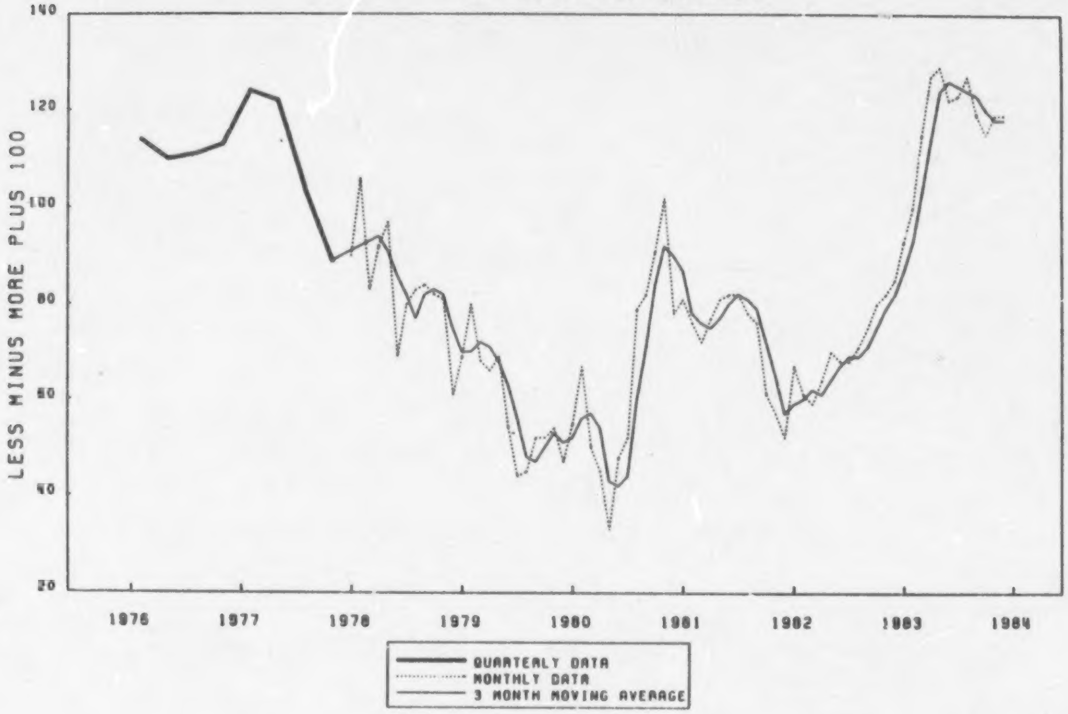
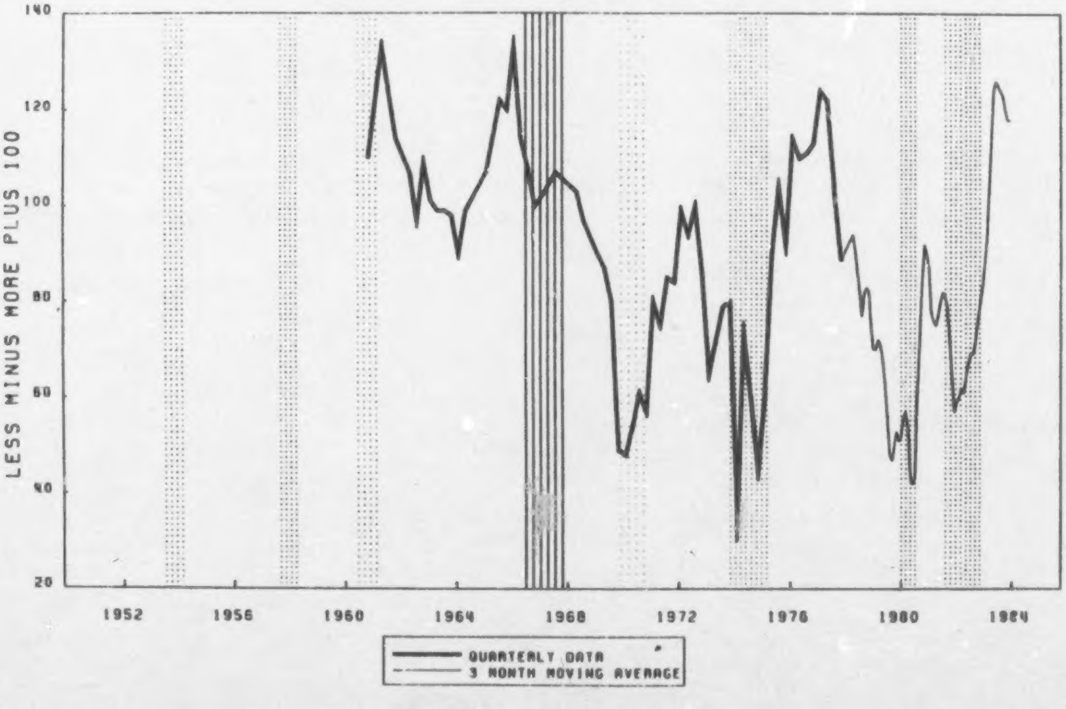


CHART 20 - HISTORICAL SERIES
EXPECTED CHANGE IN UNEMPLOYMENT



## TABLE 20

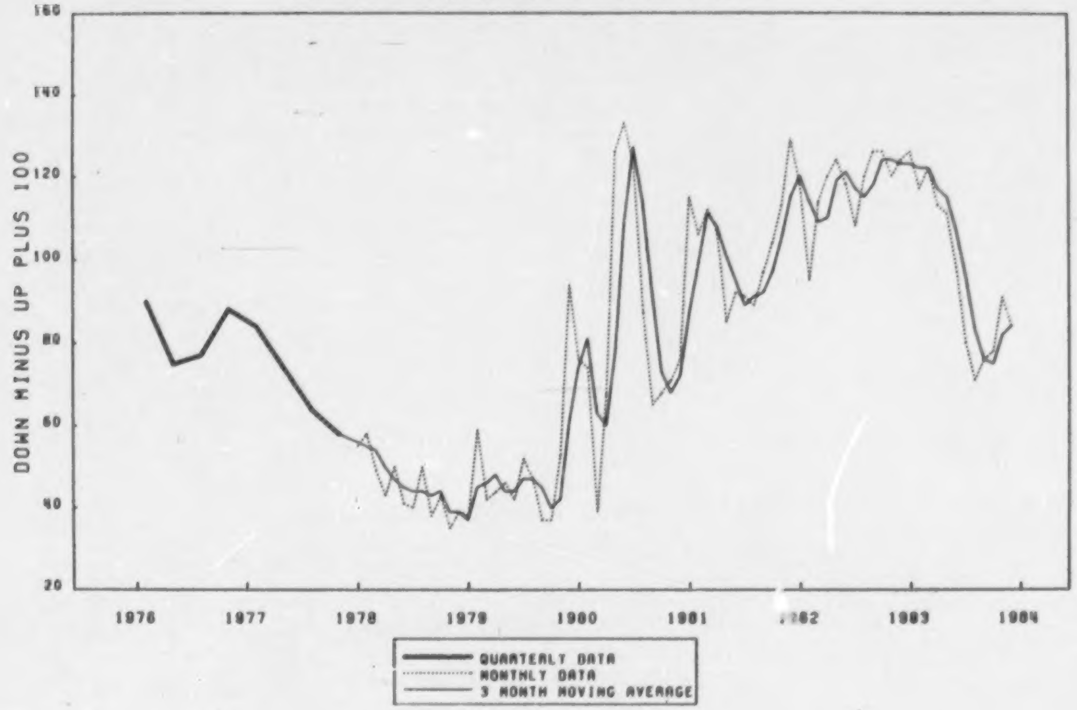
## EXPECTED CHANGE IN UNEMPLOYMENT

| | Dec. 1982 | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| LESS | 22% | 23% | 29% | 36% | 42% | 42% | 37% | 39% | 42% | 36% | 35% | 35% | 36% |
| SAME | 40 | 45 | 41 | 43 | 41 | 44 | 47 | 44 | 40 | 46 | 44 | 47 | 45 |
| MORE | 37 | 30 | 29 | 21 | 15 | 13 | 15 | 16 | 15 | 17 | 20 | 16 | 17 |
| DK,NA | 1 | 2 | 1 | * | 2 | 1 | 1 | 1 | 3 | 1 | 1 | 2 | 2 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 682 | 682 | 709 | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 |

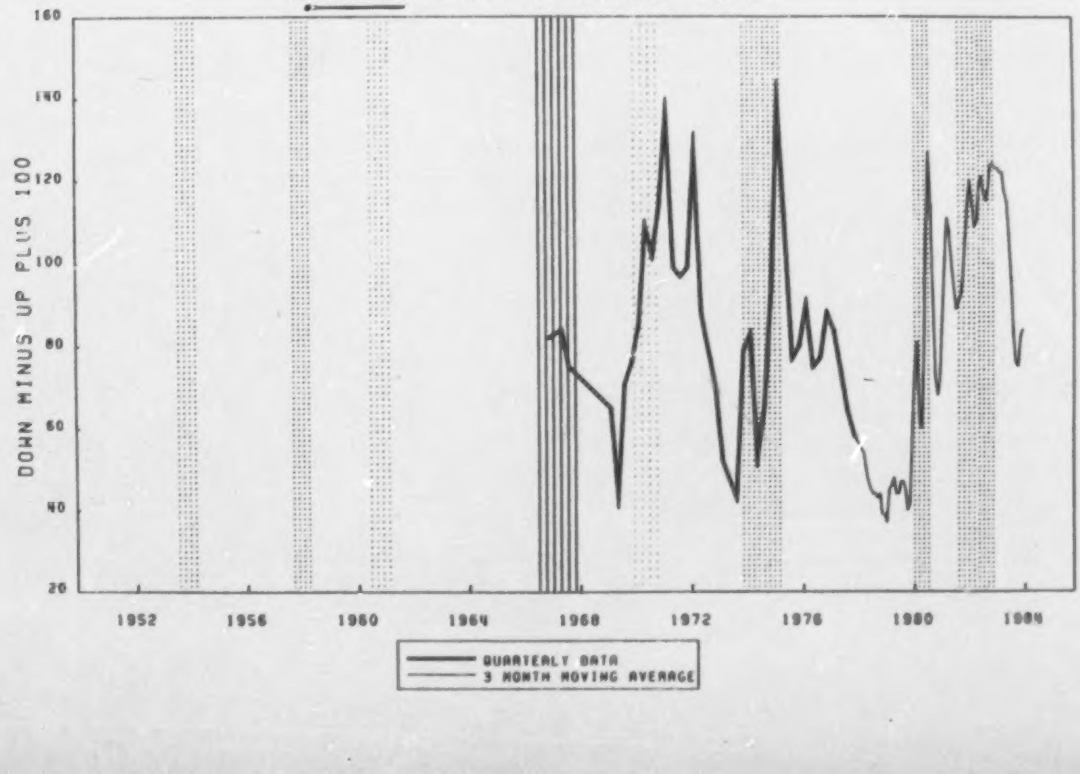
The question was: "How about people out of work during the coming 12 months--do you think that there will be more unemployment than now, about the same, or less?"

* : Less than half of one percent.

## CHART 21 - RECENT CHANGES
## EXPECTED CHANGE IN INTEREST RATES



## CHART 21 - HISTORICAL SERIES
## EXPECTED CHANGE IN INTEREST RATES



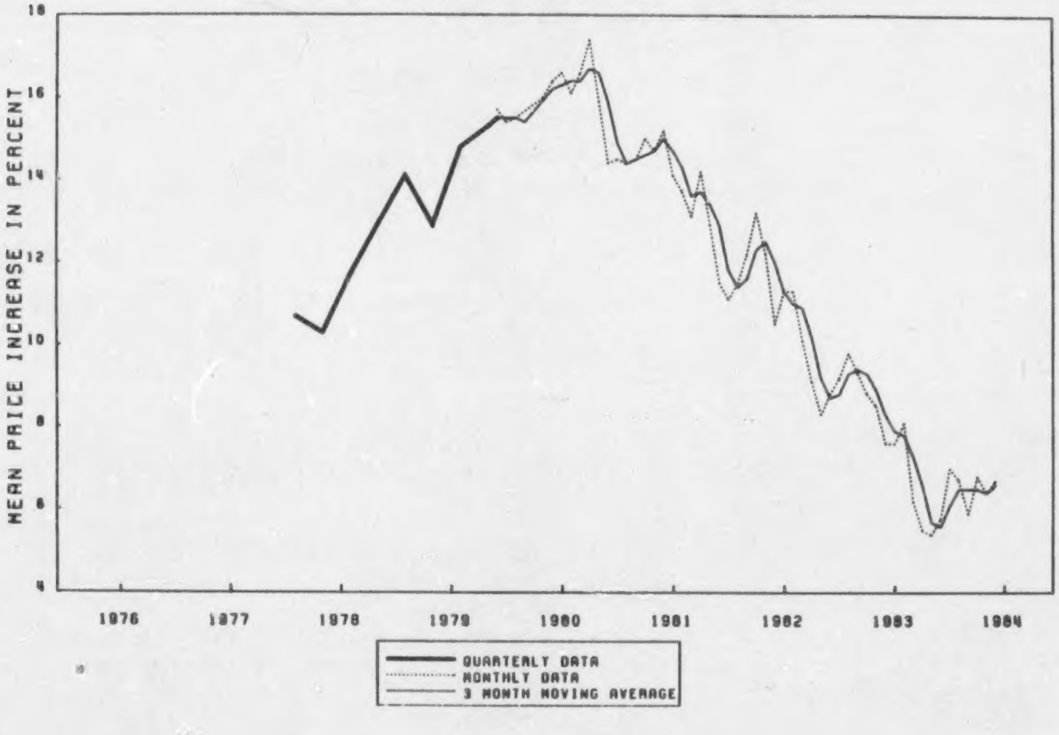
## TABLE 21

## EXPECTED CHANGE IN INTEREST RATES

| | Dec. 1982 | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| GO UP | 20% | 18% | 24% | 19% | 21% | 20% | 29% | 40% | 47% | 44% | 43% | 33% | 37% |
| STAY THE SAME | 33 | 35 | 32 | 38 | 42 | 47 | 42 | 37 | 32 | 33 | 33 | 40 | 37 |
| GO DOWN | 44 | 44 | 41 | 41 | 34 | 31 | 27 | 20 | 18 | 20 | 21 | 24 | 21 |
| DK,NA | 3 | 3 | 3 | 2 | 3 | 2 | 2 | 3 | 3 | 3 | 3 | 3 | 5 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 682 | 682 | 709 | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 |

The question was: "No one can say for sure, but what do you think will happen to interest rates for borrowing money during the next 12 months--will they go up, stay the same, or go down?"

## CHART 22 - RECENT CHANGES
## CHANGE IN PRICES DURING THE LAST 12 MONTHS



## TABLE 22

## CHANGE IN PRICES DURING THE LAST 12 MONTHS

| | Dec. 1982 | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| SAME OR DOWN | 20% | 23% | 24% | 31% | 30% | 31% | 29% | 23% | 25% | 25% | 21% | 24% | 24% |
| GONE UP BY: | | | | | | | | | | | | | |
| 1-2% | 6 | 7 | 5 | 6 | 8 | 9 | 8 | 8 | 8 | 11 | 8 | 9 | 8 |
| 3-4% | 9 | 11 | 10 | 10 | 10 | 13 | 13 | 14 | 14 | 13 | 14 | 13 | 15 |
| 5% | 17 | 17 | 15 | 12 | 17 | 13 | 14 | 13 | 16 | 15 | 16 | 15 | 15 |
| 6-9% | 12 | 9 | 10 | 9 | 9 | 8 | 11 | 11 | 8 | 7 | 11 | 8 | 8 |
| 10-14% | 17 | 15 | 14 | 15 | 11 | 14 | 11 | 13 | 13 | 12 | 14 | 14 | 11 |
| 15% or more | 14 | 12 | 16 | 11 | 9 | 8 | 10 | 11 | 11 | 9 | 11 | 9 | 10 |
| DK how much up | 5 | 5 | 5 | 5 | 5 | 4 | 3 | 6 | 5 | 7 | 4 | 7 | 8 |
| DK,NA | * | 1 | 1 | 1 | 1 | * | 1 | 1 | * | 1 | 1 | 1 | 1 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| MEAN INCREASE | 7.6 | 7.6 | 8.1 | 6.2 | 5.5 | 5.4 | 5.8 | 7.0 | 6.7 | 5.9 | 6.8 | 6.4 | 6.7 |
| VARIANCE | 82 | 108 | 113 | 71 | 64 | 61 | 65 | 88 | 93 | 71 | 81 | 76 | 90 |
| CASES | 682 | 682 | 709 | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 |

The questions were: "During the last 12 months, have prices of the things you buy remained unchanged, or have they gone up, or have they gone down?" and "By about what percent, do you think prices have gone up, on the average, during the last 12 months?"

* : Less than half of one percent.

CHART 23 - RECENT CHANGES
MEAN EXPECTED PRICE INCREASE OVER THE NEXT 12 MONTHS

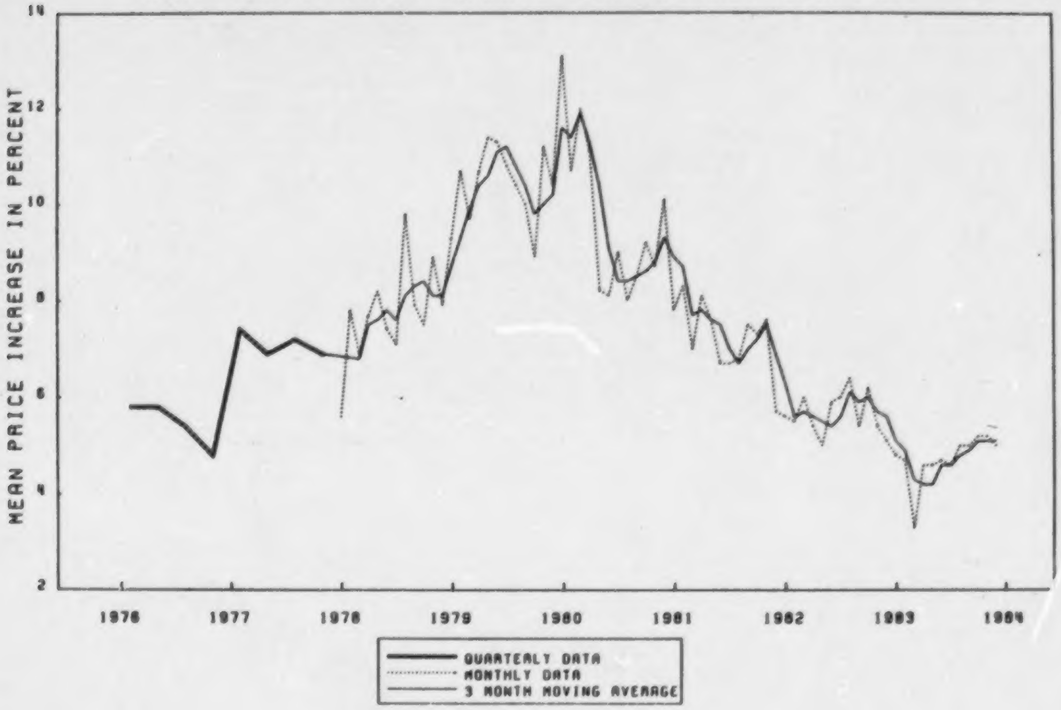
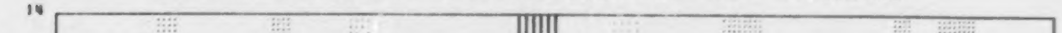


CHART 23 - HISTORICAL SERIES
MEAN EXPECTED PRICE INCREASE OVER THE NEXT 12 MONTHS



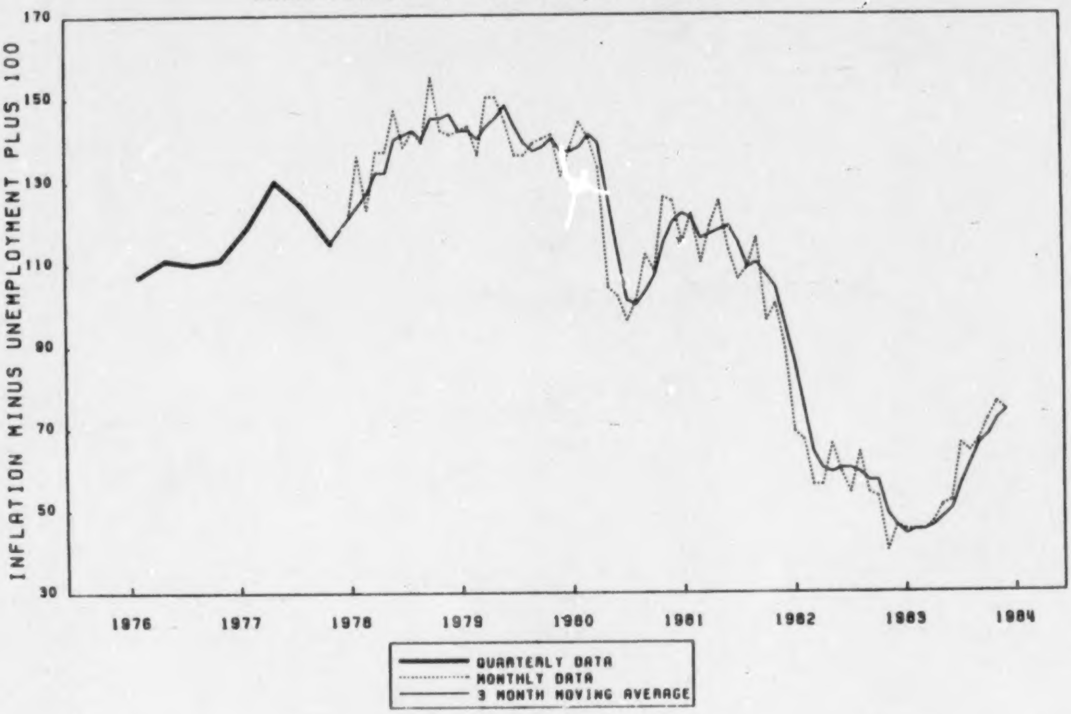
## TABLE 23

## EXPECTED CHANGE IN PRICES DURING THE NEXT 12 MONTHS

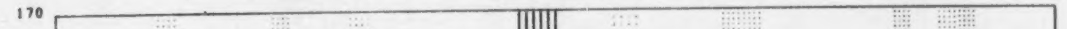
| | Dec. 1982 | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| SAME OR DOWN | 33% | 35% | 36% | 44% | 30% | 32% | 33% | 29% | 23% | 28% | 24% | 25% | 23% |
| WILL GO UP BY: | | | | | | | | | | | | | |
| 1-2% | 6 | 10 | 8 | 9 | 10 | 9 | 8 | 12 | 14 | 13 | 12 | 12 | 12 |
| 3-4% | 13 | 11 | 12 | 12 | 13 | 13 | 15 | 15 | 16 | 14 | 15 | 14 | 15 |
| 5% | 15 | 16 | 15 | 14 | 17 | 17 | 16 | 15 | 16 | 16 | 15 | 16 | 17 |
| 6-9% | 9 | 7 | 9 | 5 | 10 | 10 | 9 | 9 | 9 | 7 | 10 | 9 | 8 |
| 10-14% | 11 | 9 | 8 | 8 | 9 | 10 | 9 | 9 | 9 | 10 | 11 | 11 | 11 |
| 15% or more | 8 | 7 | 7 | 4 | 5 | 5 | 6 | 6 | 6 | 7 | 8 | 6 | 5 |
| DK how much up | 3 | 3 | 3 | 3 | 4 | 3 | 3 | 3 | 5 | 4 | 4 | 5 | 7 |
| DK,NA | 2 | 2 | 2 | 1 | 2 | 1 | 1 | 2 | 2 | 1 | 1 | 2 | 2 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| MEAN INCREASE | 5.1 | 4.8 | 4.7 | 3.3 | 4.6 | 4.6 | 4.7 | 4.6 | 5.0 | 5.0 | 5.2 | 5.2 | 5.0 |
| VARIANCE | 56 | 67 | 60 | 33 | 45 | 49 | 54 | 44 | 47 | 51 | 36 | 54 | 44 |
| CASES | 682 | 682 | 709 | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 |

The questions were: "During the next 12 months, do you think that prices in general will go up, or go down, or stay where they are now?" and "By about what percent do you expect prices to go up, on the average, during the next 12 months?"

## CHART 24 - RECENT CHANGES
## UNEMPLOYMENT OR INFLATION MORE SERIOUS



## CHART 24 - HISTORICAL SERIES
## UNEMPLOYMENT OR INFLATION MORE SERIOUS



# TABLE 24

## UNEMPLOYMENT OR INFLATION MORE SERIOUS ECONOMIC HARDSHIP

| | Dec. 1982 | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| UNEMPLOYMENT | 72% | 74% | 73% | 73% | 73% | 71% | 70% | 63% | 65% | 62% | 61% | 57% | 59% |
| BOTH EQUALLY SERIOUS | 9 | 5 | 8 | 8 | 6 | 6 | 7 | 6 | 5 | 8 | 5 | 7 | 6 |
| INFLATION | 18 | 19 | 18 | 18 | 20 | 22 | 22 | 29 | 29 | 29 | 33 | 33 | 33 |
| DK,NA | 1 | 2 | 1 | 1 | 1 | 1 | 1 | 2 | 1 | 1 | 1 | 3 | 2 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 682 | 682 | 709 | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 |

The question was: "Which of the two problems--unemployment or inflation--do you think will cause the more serious economic hardship for people during the next year or so?"

CHART 25 - RECENT CHANGES
OPINIONS ABOUT THE GOVERNMENT'S ECONOMIC POLICY

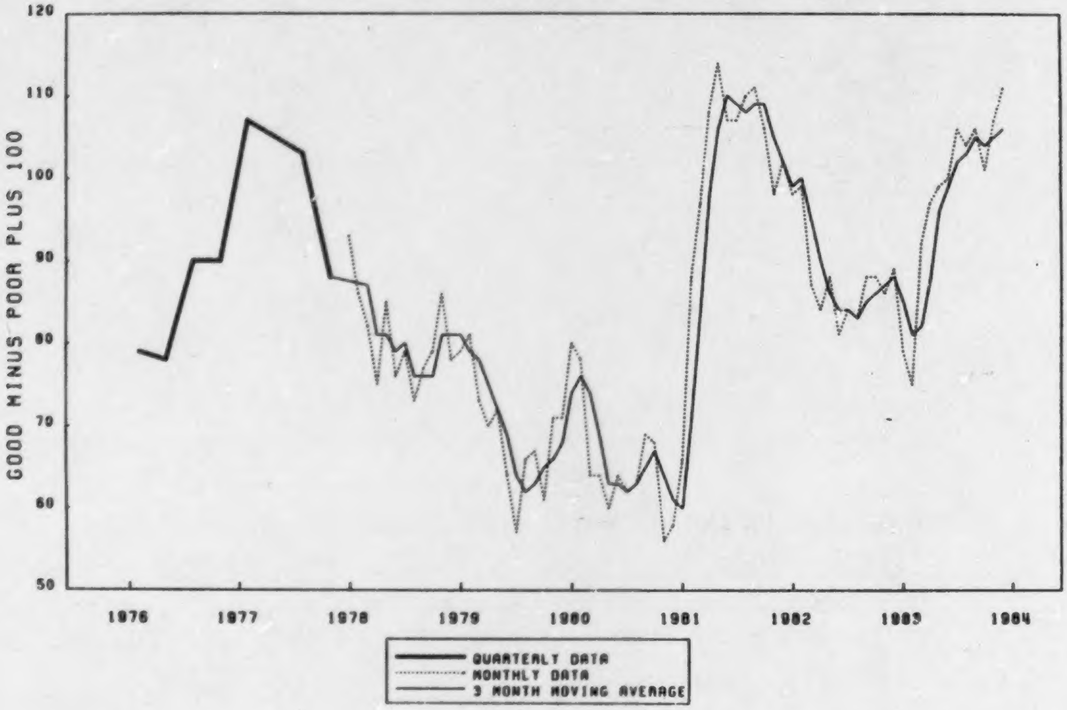
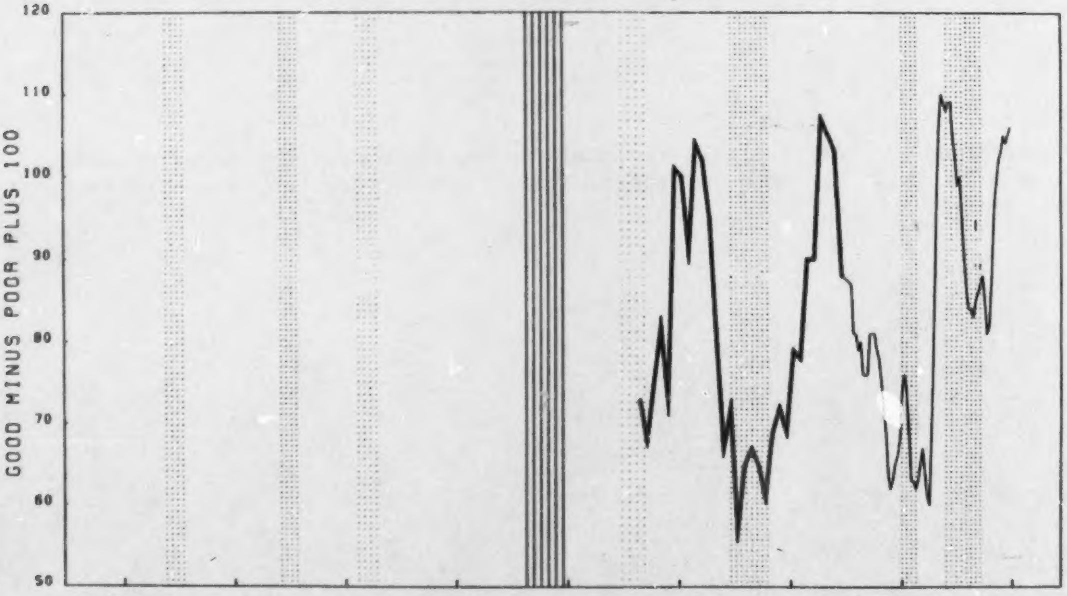


CHART 25 - HISTORICAL SERIES
OPINIONS ABOUT THE GOVERNMENT'S ECONOMIC POLICY



## TABLE 25

## OPINIONS ABOUT THE GOVERNMENT'S ECONOMIC POLICY

| | Dec. 1982 | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| A GOOD JOB | 19% | 16% | 16% | 21% | 21% | 20% | 23% | 27% | 27% | 27% | 25% | 27% | 29% |
| ONLY FAIR | 47 | 45 | 40 | 48 | 53 | 57 | 52 | 51 | 48 | 50 | 50 | 49 | 51 |
| A POOR JOB | 30 | 37 | 41 | 29 | 24 | 21 | 23 | 21 | 23 | 21 | 24 | 20 | 18 |
| DK,NA | 4 | 2 | 3 | 2 | 2 | 2 | 2 | 1 | 2 | 2 | 1 | 4 | 2 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 682 | 682 | 709 | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 |

The question was: "As to the economic policy of the government--I mean steps taken to fight inflation or unemployment--would you say the government is doing a good job, only fair, or a poor job?"

CHART 26 - RECENT CHANGES
BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS

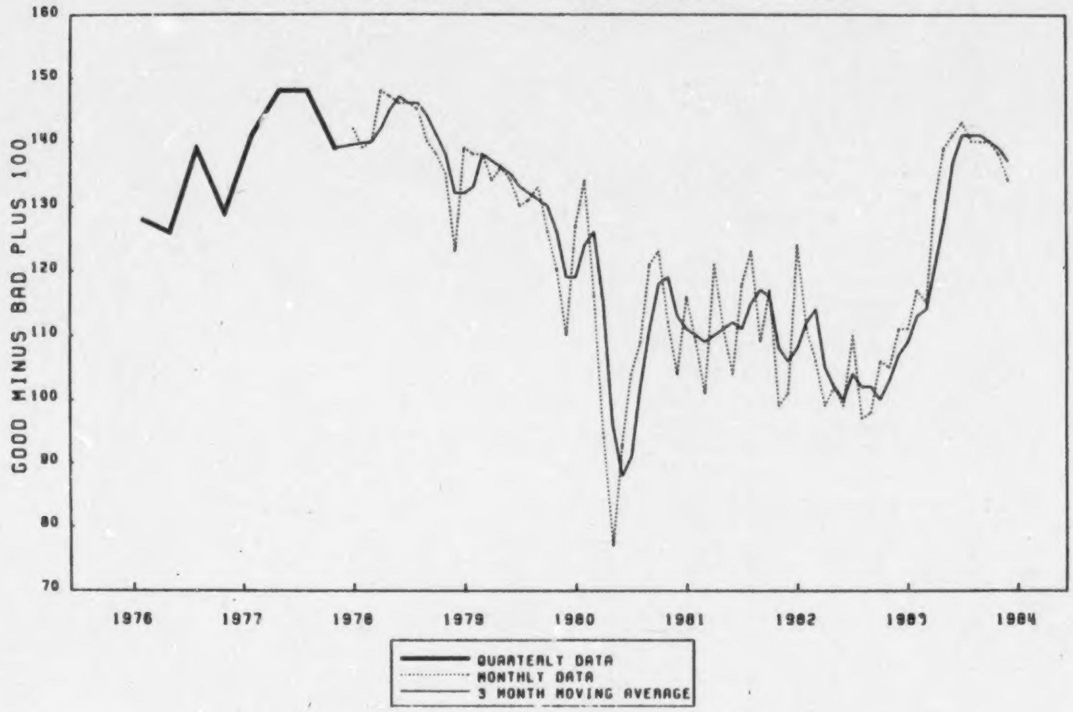
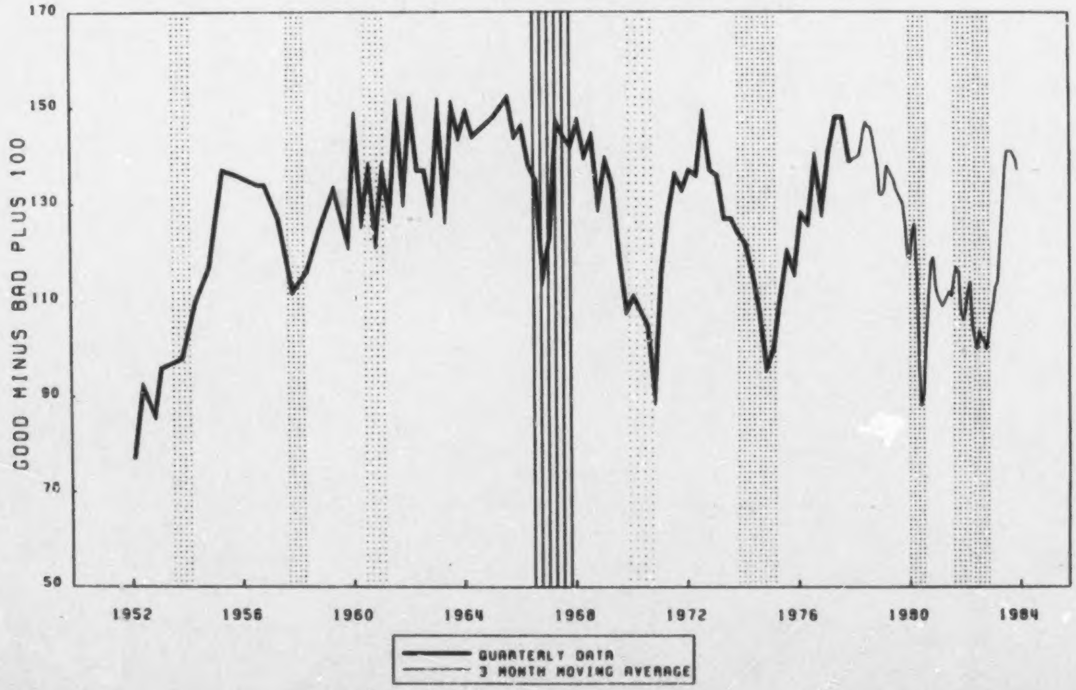


CHART 26 - HISTORICAL SERIES
BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS



## TABLE 26

## BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS

| | Dec. 1982 | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| GOOD TIME TO BUY | 50% | 51% | 54% | 53% | 61% | 67% | 66% | 67% | 64% | 66% | 65% | 64% | 61% |
| UNCERTAIN, DEPENDS | 11 | 9 | 9 | 9 | 9 | 5 | 9 | 9 | 12 | 8 | 10 | 10 | 12 |
| BAD TIME TO BUY | 39 | 40 | 37 | 38 | 30 | 28 | 25 | 24 | 24 | 26 | 25 | 26 | 27 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 682 | 682 | 709 | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 |

The question was: "About the big things people buy for their homes--such as furniture, a refrigerator, stove, television, and things like that. Generally speaking, do you think now is a good or a bad time for people to buy major household items?"

CHART 27A - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR DURABLES

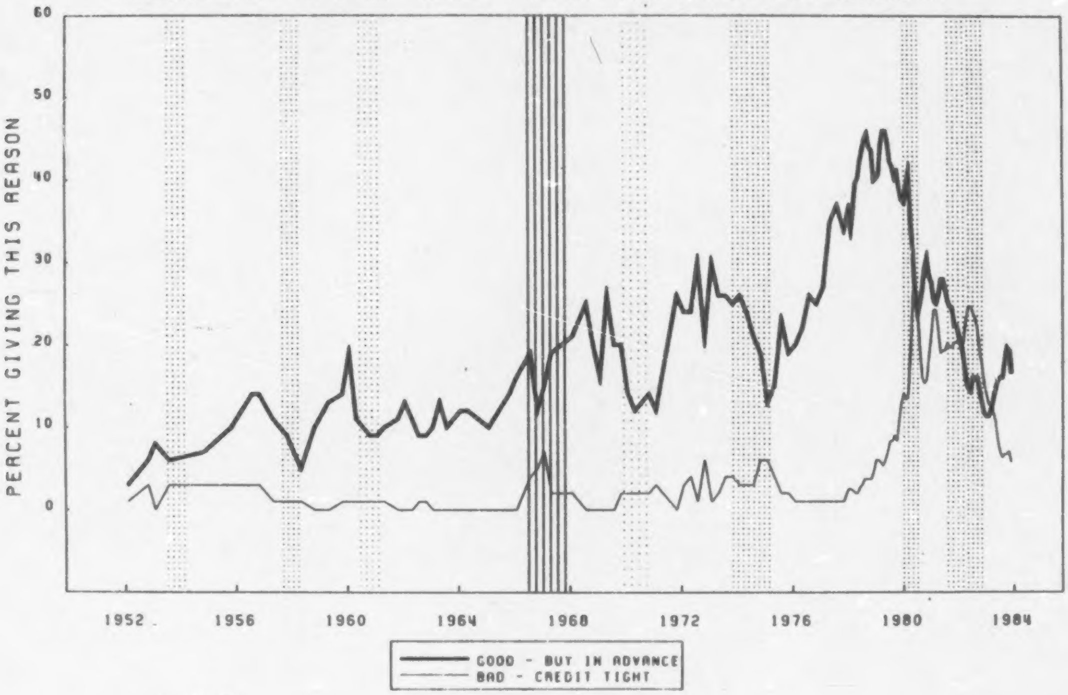


CHART 27B - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR DURABLES

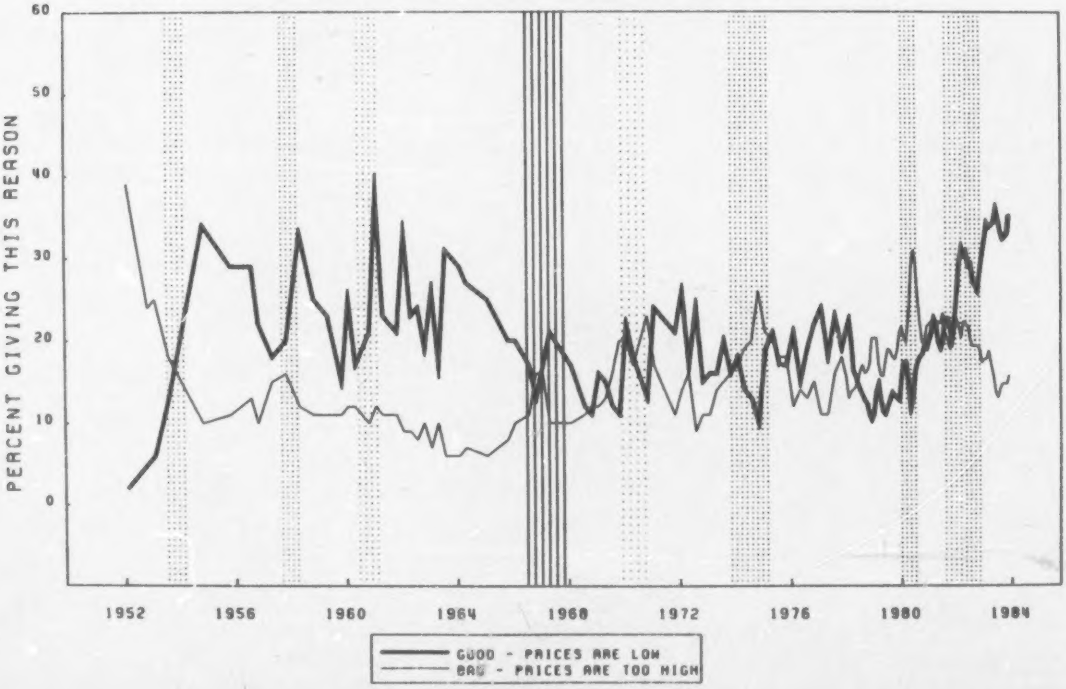


TABLE 27

SELECTED REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS +

| | Dec. 1982 | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| GOOD TIME TO BUY: | | | | | | | | | | | | | |
| Prices are low; good buys available | 32% | 33% | 38% | 30% | 36% | 37% | 35% | 32% | 33% | 32% | 33% | 34% | 38% |
| Prices won't come down; are going higher | 10 | 13 | 11 | 12 | 15 | 17 | 15 | 16 | 17 | 21 | 21 | 16 | 13 |
| Interest rates low; credit is easy | 8 | 7 | 8 | 12 | 14 | 13 | 16 | 13 | 12 | 12 | 7 | 8 | 7 |
| BAD TIME TO BUY: | | | | | | | | | | | | | |
| Prices are high | 16 | 19 | 18 | 19 | 16 | 12 | 13 | 14 | 15 | 15 | 14 | 15 | 18 |
| Interest rates are high; credit is tight | 13 | 12 | 13 | 13 | 11 | 8 | 6 | 7 | 6 | 7 | 7 | 7 | 3 |
| Lack of purchasing power | 21 | 22 | 16 | 18 | 15 | 16 | 12 | 9 | 11 | 11 | 12 | 8 | 10 |

Responses to the query: "Why do you say so?" following the question on Table 26.

+ : May add to more than 100% due to multiple mentions.

CHART 28 - RECENT CHANGES
BUYING CONDITIONS FOR HOUSES

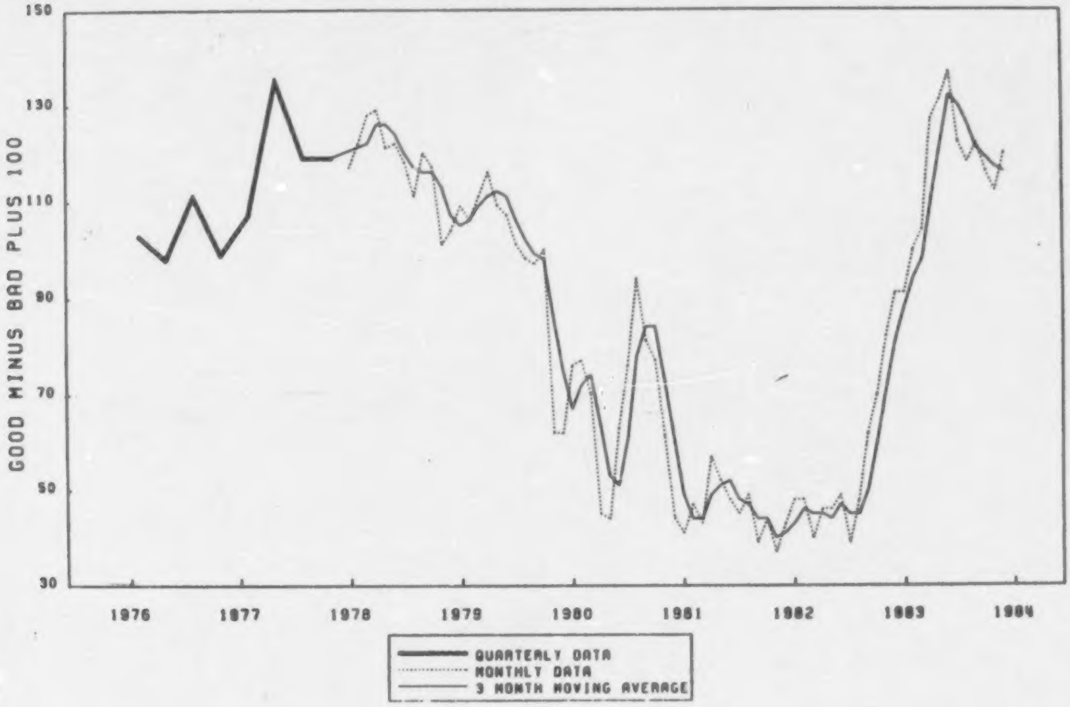
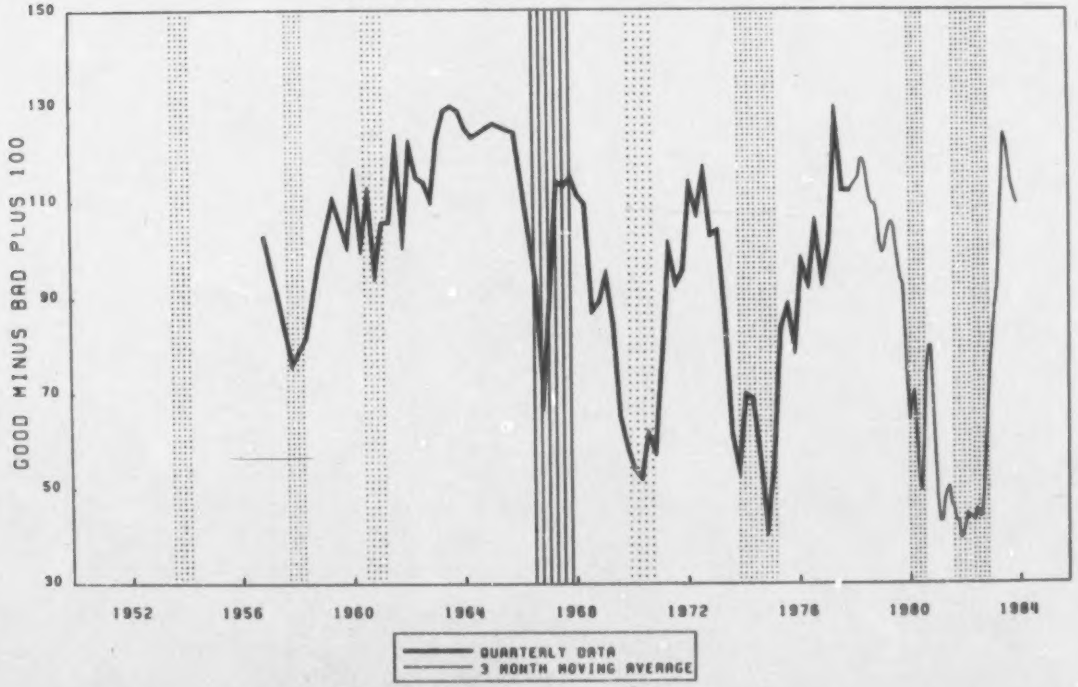


CHART 28 - HISTORICAL SERIES
BUYING CONDITIONS FOR HOUSES



# TABLE 28

## BUYING CONDITIONS FOR HOUSES

| | Dec. 1982 | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| GOOD TIME TO BUY | 44% | 44% | 49% | 51% | 61% | 64% | 66% | 59% | 57% | 59% | 55% | 53% | 57% |
| UNCERTAIN, DEPENDS | 3 | 3 | 2 | 2 | 5 | 3 | 5 | 4 | 4 | 4 | 6 | 6 | 6 |
| BAD TIME TO BUY | 53 | 53 | 49 | 47 | 34 | 33 | 29 | 37 | 39 | 37 | 39 | 41 | 37 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 682 | 682 | 709 | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 |

The question was: "Generally speaking, do you think now is a good time or a bad time to buy a house?"

CHART 29A - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR HOUSES

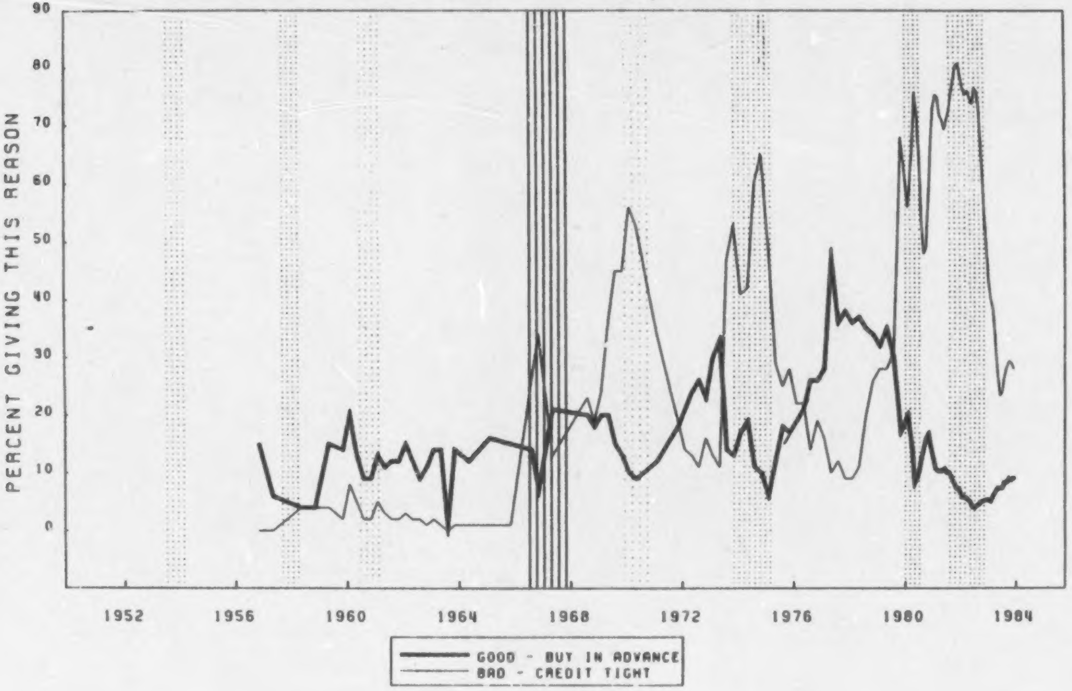
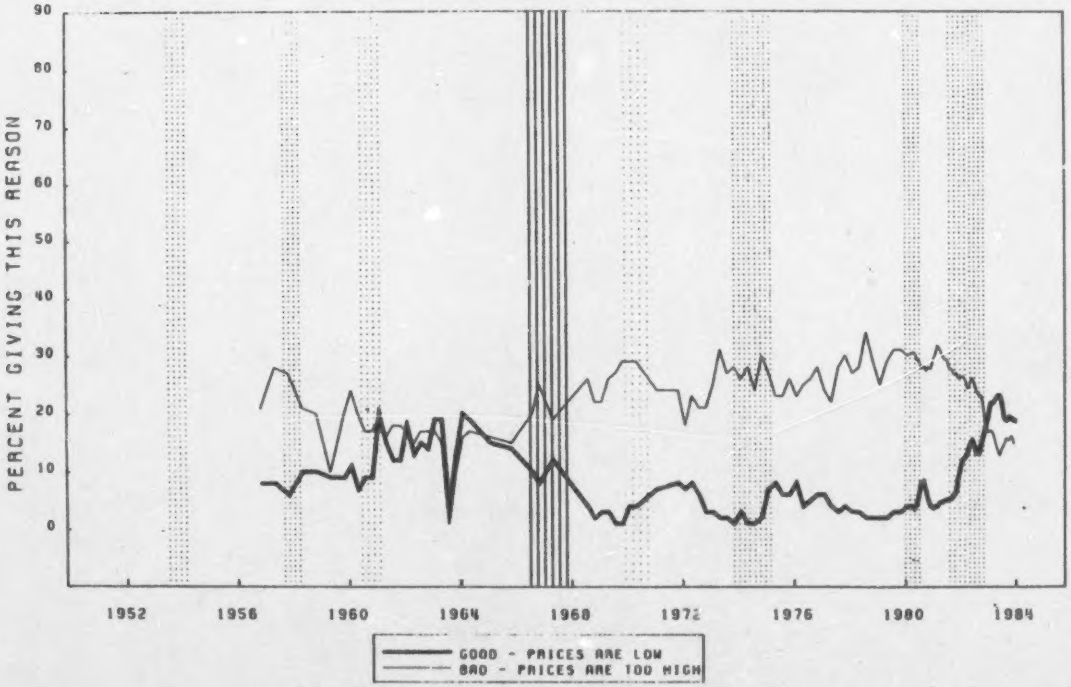


CHART 29B - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR HOUSES



## TABLE 29

## SELECTED REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR HOUSES +

| | Dec. 1982 | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| GOOD TIME TO BUY: | | | | | | | | | | | | | |
| Prices are low; good buys available | 20% | 21% | 24% | 20% | 24% | 25% | 20% | 20% | 17% | 19% | 22% | 16% | 18% |
| Prices won't come down; are going higher | 5 | 5 | 5 | 8 | 7 | 7 | 8 | 7 | 10 | 8 | 9 | 9 | 9 |
| Interest rates low; credit is easy | 35 | 37 | 40 | 44 | 54 | 57 | 61 | 49 | 44 | 47 | 38 | 40 | 41 |
| Good investment | 6 | 4 | 4 | 3 | 5 | 4 | 7 | 5 | 8 | 6 | 8 | 5 | 6 |
| BAD TIME TO BUY: | | | | | | | | | | | | | |
| Prices are high | 17 | 17 | 17 | 16 | 13 | 12 | 13 | 17 | 14 | 16 | 16 | 16 | 13 |
| Interest rates are high; credit is tight | 40 | 41 | 39 | 35 | 24 | 23 | 23 | 26 | 31 | 28 | 29 | 30 | 25 |
| Lack of purchasing power | 23 | 24 | 20 | 21 | 14 | 16 | 11 | 12 | 14 | 14 | 15 | 16 | 13 |

Responses to the query: "Why do you say so?" following the question on Table 28.

+ : May add to more than 100% due to multiple mentions.

CHART 30 - RECENT CHANGES
BUYING CONDITIONS FOR CARS

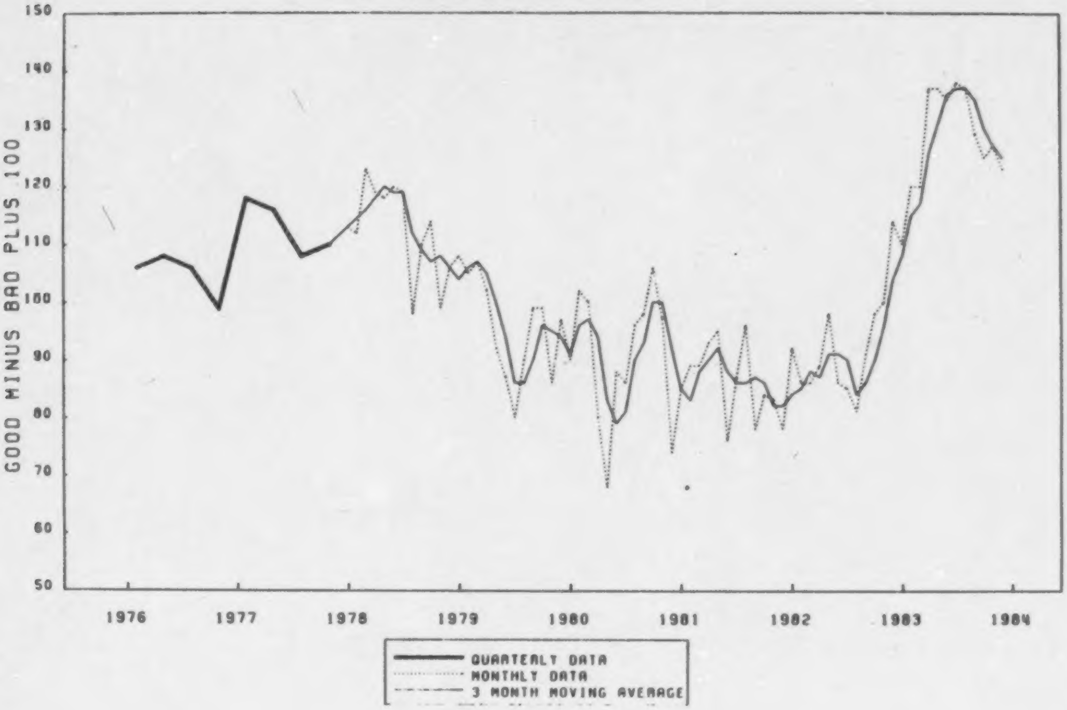
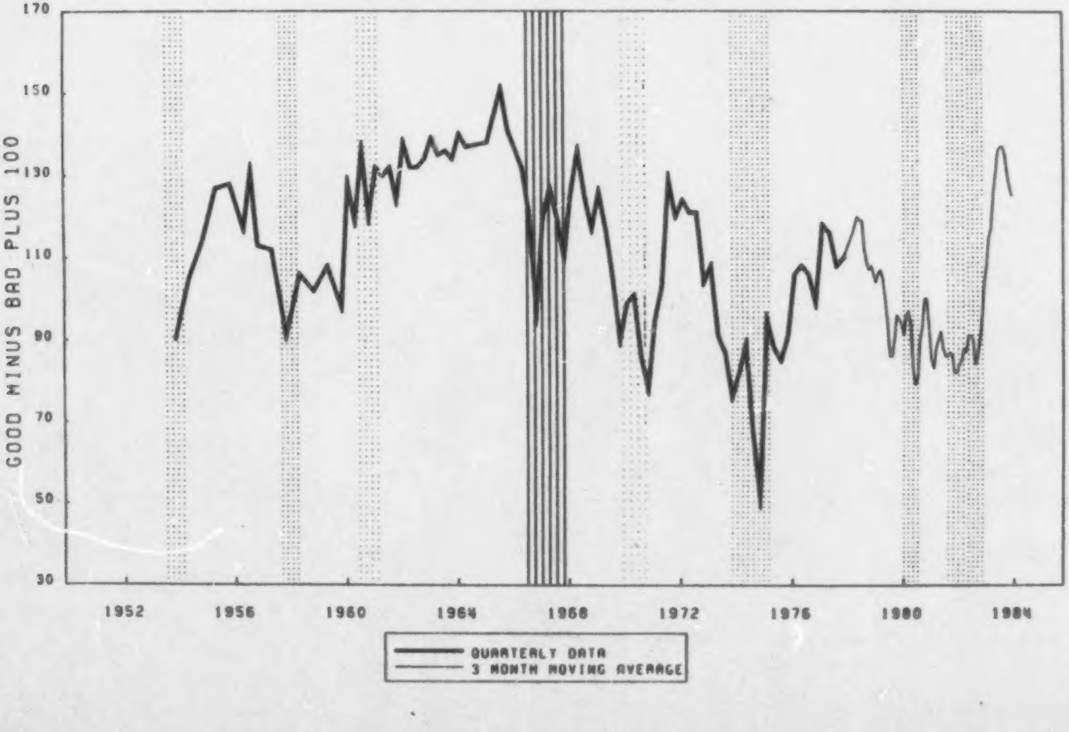


CHART 30 - HISTORICAL SERIES
BUYING CONDITIONS FOR CARS



## TABLE 30

## BUYING CONDITIONS FOR CARS

| | Dec. 1982 | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| GOOD TIME TO BUY | 53% | 51% | 57% | 56% | 66% | 66% | 63% | 65% | 65% | 61% | 59% | 59% | 56% |
| UNCERTAIN; DEPENDS | 8 | 8 | 6 | 8 | 5 | 5 | 9 | 8 | 7 | 7 | 7 | 9 | 11 |
| BAD TIME TO BUY | 39 | 41 | 37 | 36 | 29 | 29 | 28 | 27 | 28 | 32 | 34 | 32 | 33 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 682 | 682 | 709 | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 |

The question was: "Speaking now of the automobile market--do you think the next 12 months or so will be a good time or a bad time to buy a car?"

CHART 31A - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR CARS

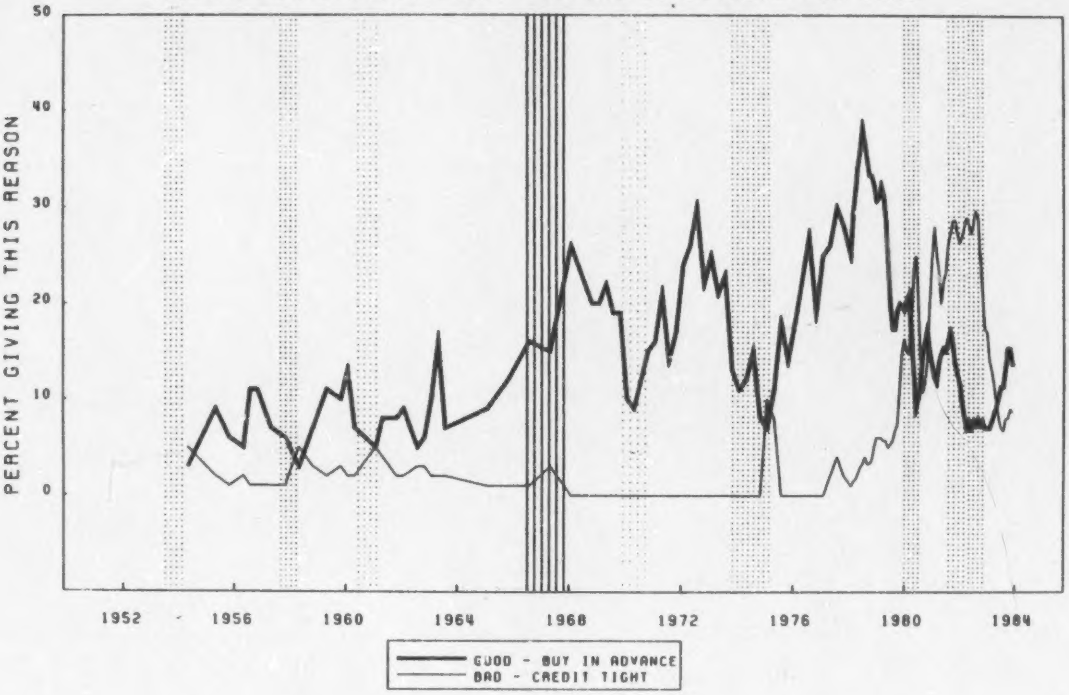
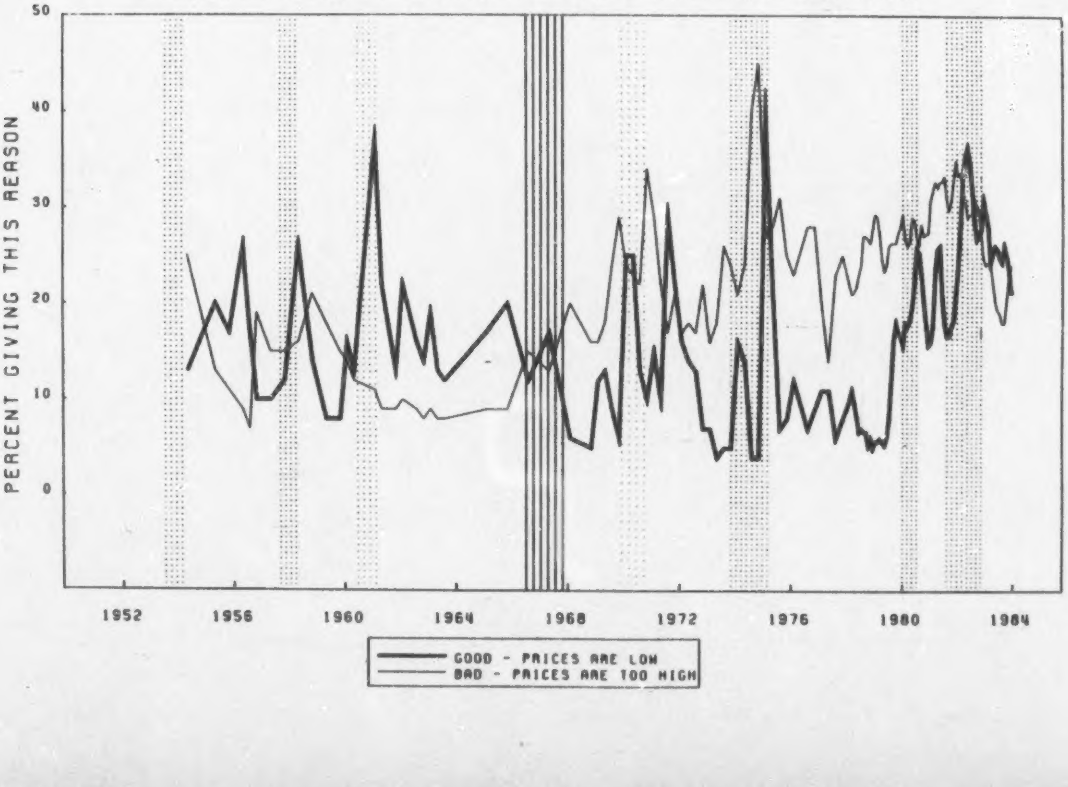


CHART 31B - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR CARS



## TABLE 31

### SELECTED REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR CARS +

| | Dec. 1982 | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| GOOD TIME TO BUY: | | | | | | | | | | | | | |
| Prices are low; good buys available | 35% | 25% | 24% | 24% | 28% | 26% | 23% | 25% | 25% | 28% | 22% | 21% | 21% |
| Prices won't come down; are going higher | 6 | 7 | 8 | 8 | 8 | 12 | 11 | 11 | 12 | 17 | 17 | 12 | 12 |
| Interest rates low; credit is easy | 27 | 29 | 35 | 34 | 40 | 40 | 40 | 37 | 33 | 28 | 19 | 22 | 19 |
| New fuel efficient models | 1 | 2 | 1 | 2 | 2 | * | 1 | 2 | 1 | 2 | 2 | 2 | 2 |
| BAD TIME TO BUY: | | | | | | | | | | | | | |
| Prices are high | 23 | 24 | 26 | 23 | 19 | 19 | 20 | 18 | 16 | 20 | 25 | 23 | 24 |
| Interest rates are high; credit is tight | 14 | 18 | 10 | 11 | 11 | 7 | 6 | 8 | 6 | 10 | 8 | 9 | 9 |
| Lack of purchasing power | 13 | 12 | 12 | 10 | 7 | 7 | 7 | 7 | 9 | 6 | 8 | 6 | 5 |
| Price of gas; shortages | 1 | 1 | * | * | * | 1 | 1 | * | 1 | * | * | * | * |
| Poor selection; quality | 7 | 6 | 5 | 5 | 5 | 5 | 6 | 5 | 4 | 4 | 6 | 6 | 5 |

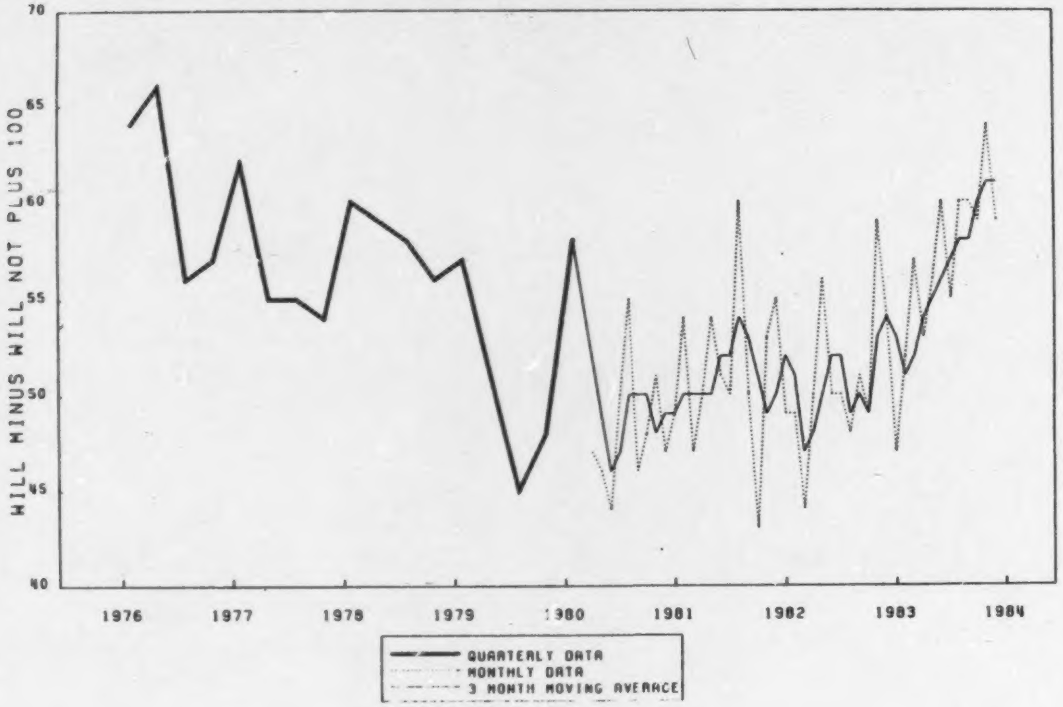
Responses to the query: "Why do you say so?" following the question on Table 30.

+ : May add to more than 100% due to multiple mentions.

* : Less than half of one percent.

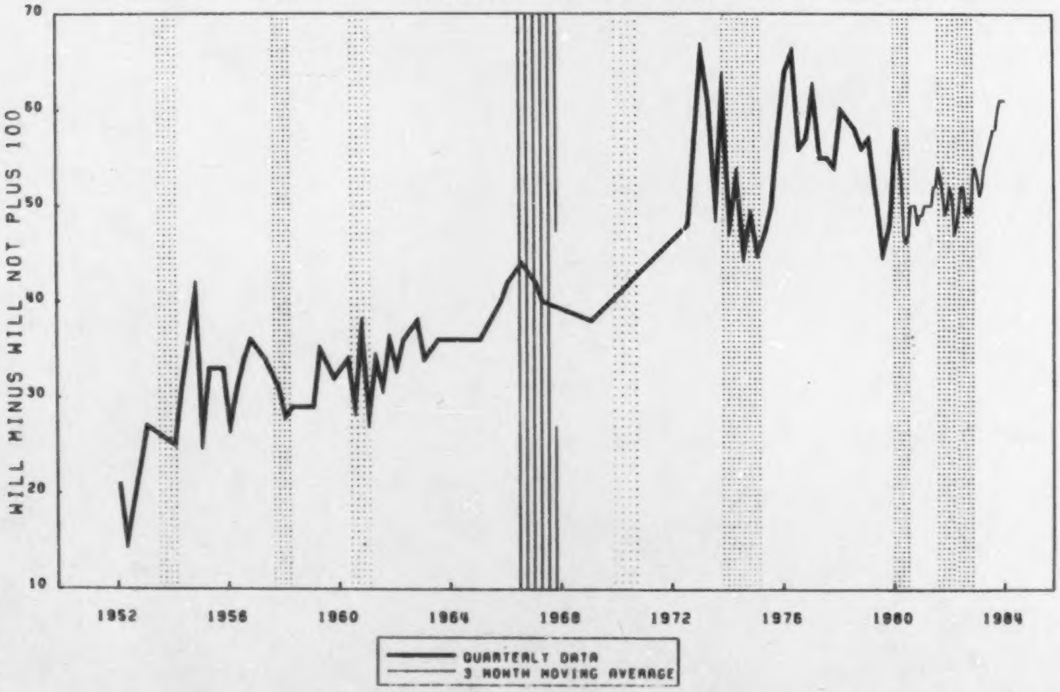
## CHART 32 - RECENT CHANGES

## PLANS TO PURCHASE AN AUTOMOBILE DURING THE NEXT 12 MONTHS



## CHART 32 - HISTORICAL SERIES

## PLANS TO PURCHASE AN AUTOMOBILE DURING THE NEXT 12 MONTHS



## TABLE 32

## PLANS TO PURCHASE AN AUTOMOBILE DURING THE NEXT 12 MONTHS

| | Dec. 1982 | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| PROBABLY WILL BUY | 20% | 15% | 17% | 20% | 17% | 17% | 22% | 18% | 21% | 21% | 21% | 22% | 20% |
| CHANCES ARE EVEN | 8 | 7 | 8 | 7 | 9 | 9 | 7 | 6 | 7 | 9 | 8 | 9 | 8 |
| PROBABLY WILL NOT BUY | 66 | 68 | 65 | 63 | 64 | 61 | 62 | 63 | 61 | 61 | 62 | 58 | 61 |
| DK,NA | 6 | 10 | 10 | 10 | 10 | 13 | 9 | 13 | 11 | 9 | 9 | 11 | 11 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 682 | 682 | 709 | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 |

The question was: "What do you think are the chances that you (or anyone else in your family living there) will buy or lease a car during the next 12 months--would you say you probably will, probably will not, or are the chances about even, or what?"

# TABLE 33

## CURRENT VEHICLE PURCHASE INTENTIONS

| | Dec. 1982 | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| PROPORTION WITH CURRENT PURCHASE INTENTIONS: | 28% | 22% | 25% | 27% | 26% | 26% | 29% | 24% | 28% | 30% | 29% | 31% | 28% |
| PURCHASE TYPE: | | | | | | | | | | | | | |
| Buy new | 15 | 10 | 12 | 13 | 14 | 12 | 13 | 11 | 15 | 13 | 17 | 17 | 16 |
| Buy used | 10 | 10 | 11 | 12 | 11 | 11 | 13 | 11 | 11 | 14 | 9 | 12 | 9 |
| Lease | 2 | 1 | 1 | 1 | * | 2 | 2 | 1 | 1 | 1 | 2 | 1 | 2 |
| DK,NA | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 2 | 1 | 1 | 1 |
| PURCHASE TIMING: | | | | | | | | | | | | | |
| Next 3 months | 2 | 3 | 3 | 1 | 6 | 2 | 1 | 4 | 5 | 2 | 6 | 4 | 2 |
| Next 4-6 months | 6 | 6 | 6 | 7 | 6 | 7 | 10 | 6 | 4 | 7 | 8 | 5 | 4 |
| Next 7-9 months | 6 | 4 | 7 | 9 | 7 | 8 | 8 | 3 | 5 | 5 | 8 | 9 | 10 |
| 10 months or more | 7 | 4 | 5 | 6 | 2 | 4 | 4 | 6 | 7 | 9 | 4 | 8 | 8 |
| DK,NA | 7 | 5 | 4 | 4 | 5 | 5 | 6 | 5 | 7 | 7 | 3 | 5 | 4 |

If response was "PROBABLY WILL BUY" or "CHANCES ARE EVEN" in Table 32, then the questions were: "If you do buy or lease a car, would it be a new car, or a used car?" , "Would you buy or lease?" and "When do you think you might buy or lease a car?"

* : Less than half of one percent.

## TABLE 34

## FUTURE VEHICLE PURCHASE INTENTIONS

| | Dec. 1982 | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| PROPORTION WITH FUTURE PURCHASE INTENTIONS: | 66% | 68% | 65% | 63% | 64% | 61% | 62% | 63% | 61% | 61% | 62% | 58% | 61% |
| PURCHASE TYPE: | | | | | | | | | | | | | |
| Would buy new | 40 | 36 | 34 | 31 | 38 | 36 | 37 | 37 | 33 | 33 | 33 | 36 | 36 |
| Would buy used | 24 | 30 | 29 | 31 | 25 | 24 | 24 | 24 | 27 | 27 | 29 | 21 | 24 |
| DK,NA | 2 | 2 | 2 | 1 | 1 | 1 | 1 | 2 | 1 | 1 | * | 1 | 1 |
| PURCHASE TIMING: | | | | | | | | | | | | | |
| Less than 2 years | 7 | 8 | 8 | 6 | 8 | 7 | 6 | 8 | 6 | 8 | 6 | 5 | 7 |
| 2 years | 22 | 23 | 19 | 20 | 22 | 24 | 20 | 23 | 21 | 22 | 20 | 19 | 23 |
| 3 years | 10 | 10 | 10 | 11 | 12 | 10 | 10 | 9 | 9 | 10 | 11 | 10 | 9 |
| 4 years or more | 17 | 21 | 20 | 21 | 16 | 18 | 21 | 18 | 18 | 15 | 19 | 18 | 17 |
| Indefinite | 4 | 2 | 2 | 1 | 2 | 1 | 1 | 2 | 2 | 2 | * | 1 | 1 |
| DK,NA | 6 | 4 | 6 | 4 | 4 | 1 | 4 | 3 | 5 | 4 | 6 | 5 | 4 |

If response was "PROBABLY WILL NOT BUY" in Table 32, then the questions were: "If you were to buy a car, would it be a new car or a used car? and "How long do you think it may be before will buy or lease a car?"

* : Less than half of one percent.

# EXPLANATORY CHARTS

CHART 1 - RECENT CHANGES
THE INDEX OF CONSUMER SENTIMENT

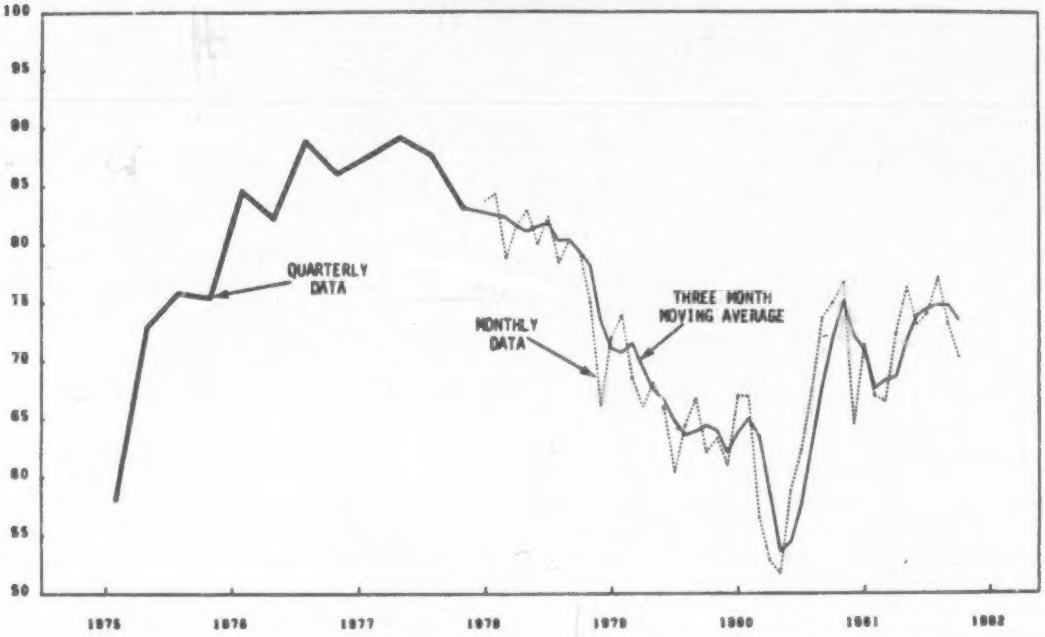
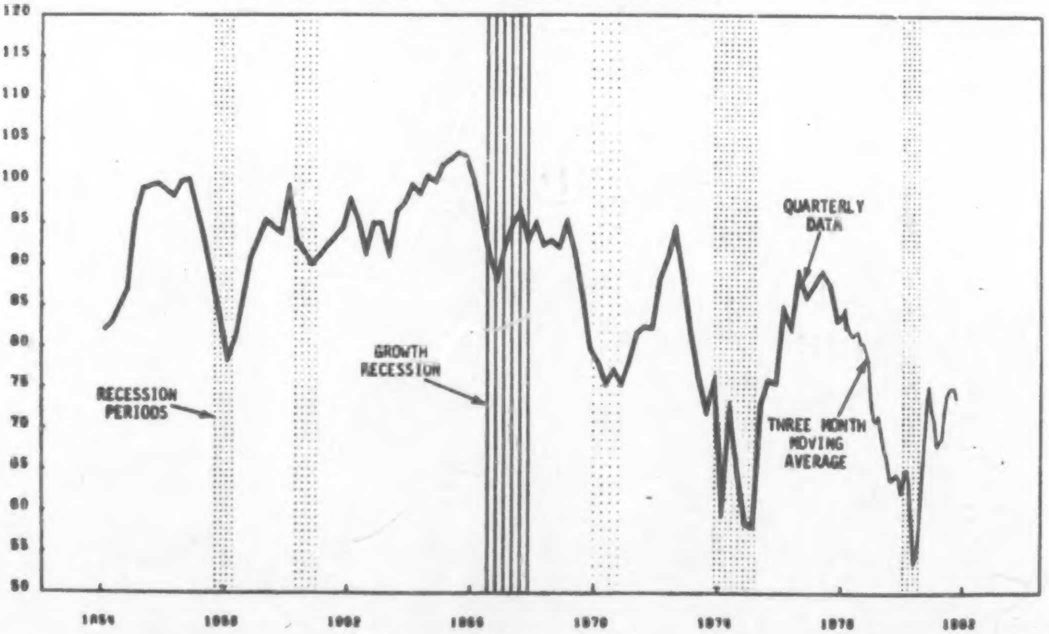


CHART 1 - HISTORICAL SERIES
THE INDEX OF CONSUMER SENTIMENT



## DESCRIPTION OF CHART LINES

QUARTERLY DATA: Data collected by surveys conducted at three-month intervals before 1978.

MONTHLY DATA: Data collected by surveys conducted each month since January of 1978.

THREE-MONTH MOVING AVERAGE: Each point plotted represents the average of the three monthly observations ending at the date plotted.

## TIME SCALE LABELS

Each tic mark on the time scale represents the month of January for the indicated year.

## NATIONAL BUREAU OF ECONOMIC RESEARCH, REFERENCE DATES FOR RECESSIONS

|  |  |  |  |  |  |  |
|---|---|---|---|---|---|---|
| DATES: | November | 1948 | - | October | 1949 |
|  | July | 1953 | - | May | 1954 |
|  | August | 1957 | - | April | 1958 |
|  | April | 1960 | - | February | 1961 |
|  | June | 1966 | - | November | 1967* |
|  | December | 1969 | - | November | 1970 |
|  | November | 1973 | - | March | 1975 |
|  | January | 1980 | - | July | 1980 |
|  | July | 1981 | - | November | 1982 |

Notes:

RECESSION PERIOD: Reduction in the national output of goods and services, generally lasting at least two quarters.

*GROWTH RECESSION: Retardation in the rate of growth of output and employment (usually followed by a recession and always the initial stage of a recession).

## APPROXIMATE SAMPLING ERRORS[a] OF SURVEY FINDINGS

(In percentages by size of sample or subgroup)

| Reported Percentages | Number of Interviews 700[b] | 1,400[c] | 2,100[d] |
|---|---|---|---|
| 50 | 4.2 | 3.2 | 2.8 |
| 30 or 70 | 3.8 | 2.9 | 2.5 |
| 20 or 80 | 3.4 | 2.6 | 2.2 |
| 10 or 90 | 2.5 | 1.9 | 1.6 |
| 5 or 95 | 1.8 | 1.4 | 1.2 |

---

[a] The figures in this table represent two standard errors. Hence, for most items the chances are 95 in 100 that the value being estimated lies within a range equal to the reported percentages, plus or minus the sampling error.

[b] Average size of monthly surveys.

[c] Average size of two monthly surveys.

[d] Average size of three monthly surveys (one quarter).

1/17/84 U7475-2 A

January 6, 1984

DECEMBER 1983 MONTHLY REPORT

# Surveys of Consumer Attitudes

Richard T. Curtin, *Director*

## CONSUMER CONFIDENCE REACHES NEW CYCLICAL PEAK

** In the December 1983 survey, the Index of Consumer Sentiment was 94.2, up from 91.1 one month earlier, and 71.9 one year earlier. The 1983 year-end level of 94.2 is the highest reading since the nearly identical 1972 peak level of 94.4 was recorded, and stands less than 10 Index-points below the all-time record level of 103.4 recorded in 1965. The recent improvement was due to more favorable assessments of current economic conditions, both for individual families and for the economy as a whole.

** More American families reported that their financial situation had improved in the December 1983 survey than at any other time during the past decade. Among all families, 45 percent reported in the December survey that their financial situation had improved during the past year. When asked why their financial situation had improved, one-third mentioned receiving income increases, and the proportion that complained about the adverse impact from inflation on their family's budget was the smallest in a decade (13 percent).

** Among all families, 71 percent reported in the December survey that current business conditions had improved over those of a year earlier. This is the highest proportion of families to hold favorable perceptions of recent economic developments to be recorded in more than 30 years. In sharp contrast, last year at this time, just 14 percent of all families reported favorable change in the economy.

** Good times financially were expected in the economy as a whole during the next 12 months by 67 percent of all families in the December survey, the highest level recorded since the mid 1960s. Consumers expected an annual rate of inflation of 5.0% during 1984, and twice as many families expected unemployment to continue to decline rather than increase during the year ahead (36 versus 17 percent).

** Consumer buying attitudes remained at very favorable levels in the December 1983 survey, with the majority holding favorable attitudes toward buying conditions for houses (57 percent), cars (56 percent), and large household durables (61 percent).

* * *

The resurgence and maintenance of consumer optimism at record high levels points toward a continued robust recovery in consumer sales though mid 1984.

Monitoring Economic Change Program
Institute for Social Research • P.O. Box 1248 • Ann Arbor, Michigan 48106 • (313) 763-5224

## Personal Finances Improve

The personal financial situation of American families improved substantially during 1983, and by year-end twice as many families reported that their financial situation had improved rather than worsened. Among all families, 45 percent reported in the December 1983 survey that their financial situation had improved, up from 38 percent one month earlier, and 28 percent one year earlier. In contrast, 22 percent of all families reported that their financial situation had worsened in the December survey , down from 27 percent in November, and 38 percent one year earlier. The proportion of families that reported favorable changes in their personal financial situation in the December 1983 survey was only exceeded by the 1972 peak (47 percent) and the 1965 peak (50 percent) since these surveys were begun in 1946.

The sharp improvement in personal finances during the past year has been due to more favorable income and inflation trends. In the December 1983 survey, 33 percent of all respondents reported increases in family income (up from 26 percent one year earlier), while income declines were reported by 14 percent of all families (down from 21 percent one year earlier). References to the unfavorable impact of inflation on family budgets fell to 13 percent in the December 1983 survey, the lowest level recorded in a decade. Consumer complaints about inflation have declined substantially from three years earlier, when unfavorable references to inflation squeezed budgets were made by 48 percent of all families. Combined, these improvements in family incomes and declines in inflation have led to the most favorable evaluations of real income progress recorded during the past decade. The majority of American families reported in the December survey that increases in their family income had kept pace with or exceeded the rate of inflation during 1983.

American families expected further improvements in their financial situation during the year ahead by a wide margin in the December 1983 survey. Among all families, 35 percent expected their financial situation to improve during 1984, while just 10 percent expected a worsening financial situation. Compared with a year earlier, approximately the same number of families expected improvement in their financial situation (35 percent, up from 34 percent), but fewer families expected financial reversals in the year ahead (10 percent, down from 17 percent). In explaining these prospects, fewer families expected their nominal income to decline during the year ahead in the December 1983 survey than one year earlier (12 percent, down from 17 percent). The proportion of families that expected their income to increase during the year ahead in the December 1983 survey was just above the year earlier reading (60 percent, up from 58 percent), but the distribution of the expected size of the income increase has shifted downward: the proportion of families that expected income increases of 10% or more fell from 29 to 23 percent, while families that expected income increases of 1-4% rose from 6 to 12 percent. The overall median increase expected during 1984 was 3.8%, down from 4.7% one year earlier.

## Recession: Over Not Forgotten

The December 1983 survey recorded the most favorable perceptions held by American consumers of recent improvements in the economy recorded during the past 30 years. Among all families, 71 percent reported in the December 1983 survey that the economy had improved during the past year, up from 63 percent in November, and just 14 percent in December 1982. Only 8 percent of all families in the December 1983 survey expected the economy to worsen during 1984, while 44 percent expected continued improvement. These improvements were expected to lead to good times financially in the economy as a whole during 1984, reported by 67 percent of all families in the December 1983 survey, up from 59 percent one month earlier, and 32 percent one year earlier. At 67 percent, the December 1983 survey recorded the highest proportion of American families that expected good times financially in the economy as a whole since the mid-1960s.

Consumers have become more optimistic about the short-term outlook for the economy because of favorable trends in employment and inflation, as well as greater confidence in government economic policies. Unemployment was expected to decline during 1984 by 36 percent of all families in the December 1983 survey, twice the 17 percent that expected unemployment to increase. An annual rate of inflation of 5.0% was expected in the December 1983 survey, just below the 5.2% recorded in November, and 5.1% recorded one year earlier. While the overall mean expectation has remained largely unchanged during the past year, fewer consumers reported in the December 1983 survey that they expected prices to remain unchanged or to decline (23 percent, down from 33 percent one year earlier). Among those families that expected price increases, the proportion that expected an inflation rate of 10% or more fell to 16 percent from 19 percent one year earlier, while the proportion that expected inflation rates in the 1-5% range rose to 44 percent from 34 percent. Confidence in government economic policies to combat inflation and unemployment improved substantially during 1983, and at year-end nearly regained the level recorded when President Reagan first entered office. Among all families, 29 percent favorably rated government economic policies in the December 1983 survey, up from 27 percent in November, and 19 percent one year earlier. Unfavorable ratings of government economic policies fell to 18 percent in December, from 20 percent one month earlier, and 30 percent one year earlier.

Longer term prospects for the economy as a whole improved in early 1983, but since then have remained largely unchanged at those favorable levels. During the last nine months of 1983, the proportion of families that expected good times financially over the next five years or so has remained in the narrow range of 37 to 39 percent. Unfavorable long term business expectations were reported by approximately the same proportion of families during the past nine months--35 to 42 percent. In the December 1983 survey, the balance of opinion was favorable, with 39 percent that expected good times financially, and 37 percent that expected bad times in the economy as a whole over the longer term. To be sure, these evaluations are greatly improved over the recession lowpoint, and now stand nearly equal to the cyclical peak levels recorded during the 1970s. Compared with these prior cyclical peaks, at least as many families reported favorable long term business expectations (the 39 percent recorded in December 1983 was the highest since 1969), but families more frequently expected unfavorable long term developments (37 percent in December 1983, compared with a low of 25 percent recorded in the 1970s). These results indicate that consumers are still unconvinced that the short term improvements will lead to a long lasting recovery. The repeated cycles of recession and recovery during the past decade have not been forgotten, even in the current mood of optimism.

## Favorable Buying Attitudes

Favorable buying attitudes towards large household durables were held by 61 percent of all families in the December 1983 survey, somewhat below the mid-year peak of 67 percent, but above the year earlier reading of 50 percent. When asked to explain their views, 38 percent of all families mentioned the availability of lower prices and discounts on household durables in the December 1983 survey--which tied the all-time record level, recorded in both the February 1983 and February 1961 surveys. The widespread appeal of lower prices and discounts on household durables recorded throughout 1983 has dominated consumer views on buying conditions for durables to a greater extent than at any other time in the prior 20 years.

The proportion of families holding favorable attitudes toward buying conditions for houses rose to 57 percent in December 1983 from 53 percent in November, remaining just below the mid year peak of 66 percent. The small decline since mid 1983 has been due largely to fewer references to reduced mortgage interest rates--falling to 41 percent in December from 61 percent at mid year. Complaints about high mortgage rates, in contrast, only rose to 25 percent from the mid year low of 23 percent. Perceptions of housing prices also remained on balance favorable in the December survey, although by a narrower margin than at mid year. References to the availability of lower housing prices fell to 18 percent in December 1983 from the mid year peak of 25 percent, while complaints of high housing prices only rose to 13 percent from the mid year low of 12 percent

Favorable car buying attitudes were held by 56 percent of all families in the December 1983 survey, just between the 59 percent recorded in November, and the 53 percent recorded one year earlier. Although car buying attitudes have declined from the mid 1983 peak (66 percent), car buying attitudes were still as favorable in the December 1983 survey as they were at peak levels recorded during the decade of the 1970s. Since mid 1983, fewer respondents mentioned the availability of lower interest rates on car loans, falling from 40 to 19 percent by year-end. Only a small increase in complaints about high interest rates, however, were recorded, rising from a mid year low of 7 percent to 9 percent by year-end. Perceptions of vehicle prices also became somewhat less favorable by year-end 1983. In August 1983, the proportion of families mentioning high vehicle prices fell to a cyclical low of 16 percent (half the level recorded in August 1982). Accompanying the new model introductions, the proportion mentioning high prices rose to 24 percent by December 1983 (just above the 23 percent recorded in December 1982). At the same time, references to the availability of lower prices and rebates declined to 21 percent in December 1983, from 35 percent one year earlier. As a result, an unfavorable balance of opinion toward vehicle prices was recorded in the December survey, for the third consecutive month.

* * *

The December 1983 survey was conducted between December 1, 1983 and December 21, 1983, and included 701 completed interviews.

2/23/84 U7475-2 A

# SURVEYS OF CONSUMER ATTITUDES

SURVEY RESEARCH CENTER
UNIVERSITY OF MICHIGAN

Institute for Social Research

# TABLES AND CHARTS

## JANUARY 1984

The January 1984 survey is the 184th in a series of surveys of consumer attitudes conducted by the Survey Research Center at The University of Michigan. Initiated in 1946, these periodic surveys provide regular assessments of consumer attitudes and expectations, and are used to evaluate economic trends and prospects. The surveys are designed to explore why changes in consumer attitudes and expectations occur, and how these changes influence consumer spending and saving decisions.

Two charts highlight recent changes and historical patterns for most questions. Recent change charts include quarterly data before 1978 and monthly data starting in January of 1978. Historical series charts show quarterly data before 1978 and 3 month moving averages since then. See the explanatory charts at the end of this book for a detailed description.

All surveys are subject to sampling error because not all members of the population are interviewed. Most results on the total sample for this monthly survey will differ by no more than 4 percentage points in either direction from what would have been obtained by using the same methods on the entire population. See the back of this book for sampling error information.

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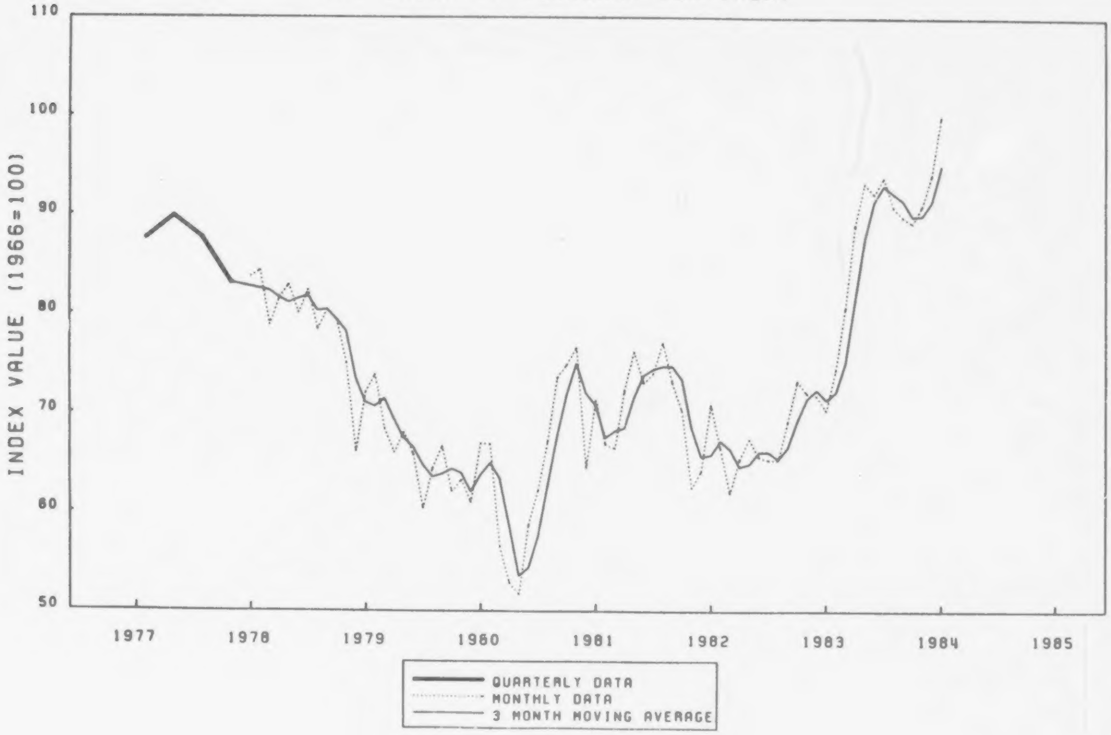


CHART 1 - RECENT CHANGES
THE INDEX OF CONSUMER SENTIMENT

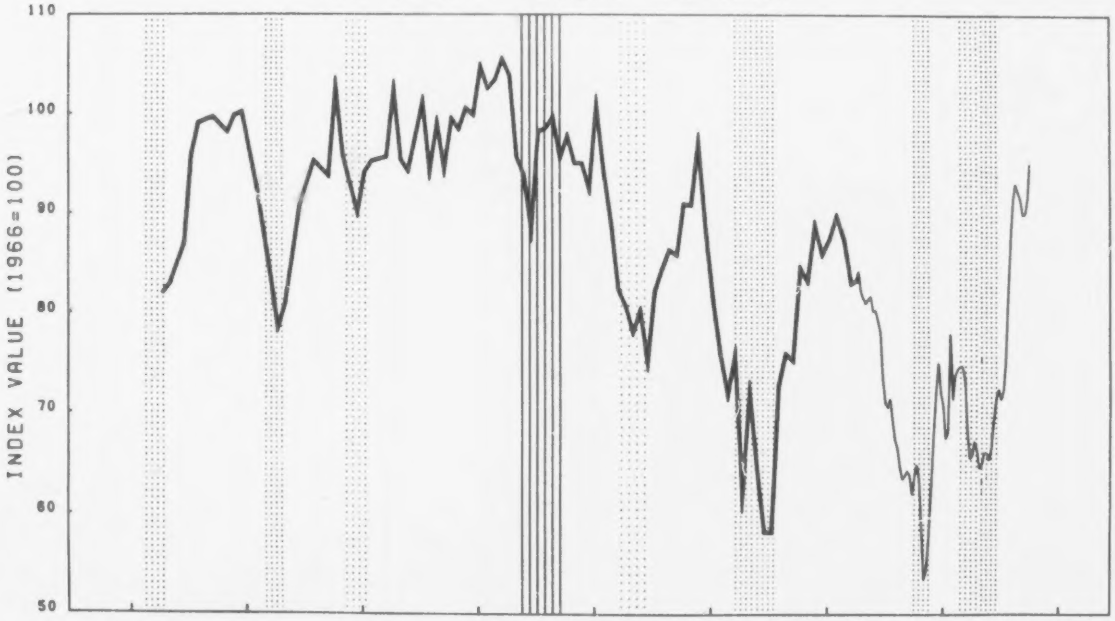


CHART 1 - HISTORICAL SERIES
THE INDEX OF CONSUMER SENTIMENT

## TABLE 1

## THE INDEX OF CONSUMER SENTIMENT

| DATE OF SURVEY | All families | Families with incomes over $20,000 | Families with incomes over $25,000 |
|---|---|---|---|
| January 1981 | 71.4 | 74.8 | 77.1 |
| February 1981 | 66.9 | 74.2 | 77.5 |
| March 1981 | 66.5 | 72.1 | 73.7 |
| April 1981 | 72.4 | 77.1 | 78.0 |
| May 1981 | 76.3 | 80.8 | 85.0 |
| June 1981 | 73.1 | 81.2 | 82.9 |
| July 1981 | 74.1 | 80.8 | 82.1 |
| August 1981 | 77.2 | 82.7 | 85.0 |
| September 1981 | 73.1 | 75.2 | 73.3 |
| October 1981 | 70.3 | 74.5 | 77.9 |
| November 1981 | 62.5 | 67.2 | 66.3 |
| December 1981 | 64.3 | 71.0 | 71.1 |
| January 1982 | 71.0 | 77.9 | 77.8 |
| February 1982 | 66.5 | 71.5 | 72.8 |
| March 1982 | 62.0 | 67.0 | 67.9 |
| April 1982 | 65.5 | 71.5 | 73.2 |
| May 1982 | 67.5 | 72.7 | 74.8 |
| June 1982 | 65.7 | 71.4 | 72.9 |
| July 1982 | 65.4 | 68.9 | 69.2 |
| August 1982 | 65.4 | 71.0 | 73.6 |
| September 1982 | 69.3 | 78.4 | 81.1 |
| October 1982 | 73.4 | 77.5 | 80.9 |
| November 1982 | 72.1 | 79.3 | 81.1 |
| December 1982 | 71.9 | 78.0 | 80.5 |
| January 1983 | 70.4 | 78.2 | 78.8 |
| February 1983 | 74.6 | 79.9 | 81.3 |
| March 1983 | 80.8 | 88.4 | 88.9 |
| April 1983 | 89.1 | 97.1 | 99.0 |
| May 1983 | 93.3 | 99.6 | 101.0 |
| June 1983 | 92.2 | 101.2 | 102.5 |
| July 1983 | 93.9 | 104.4 | 106.5 |
| August 1983 | 90.9 | 101.2 | 103.5 |
| September 1983 | 89.9 | 99.0 | 102.3 |
| October 1983 | 89.3 | 99.5 | 101.9 |
| November 1983 | 91.1 | 97.2 | 98.8 |
| December 1983 | 94.2 | 101.7 | 104.5 |
| January 1984 | 100.1 | 112.0 | 114.2 |

CHART 2A - HISTORICAL SERIES
INDEX OF CONSUMER SENTIMENT WITHIN REGION SUBGROUPS

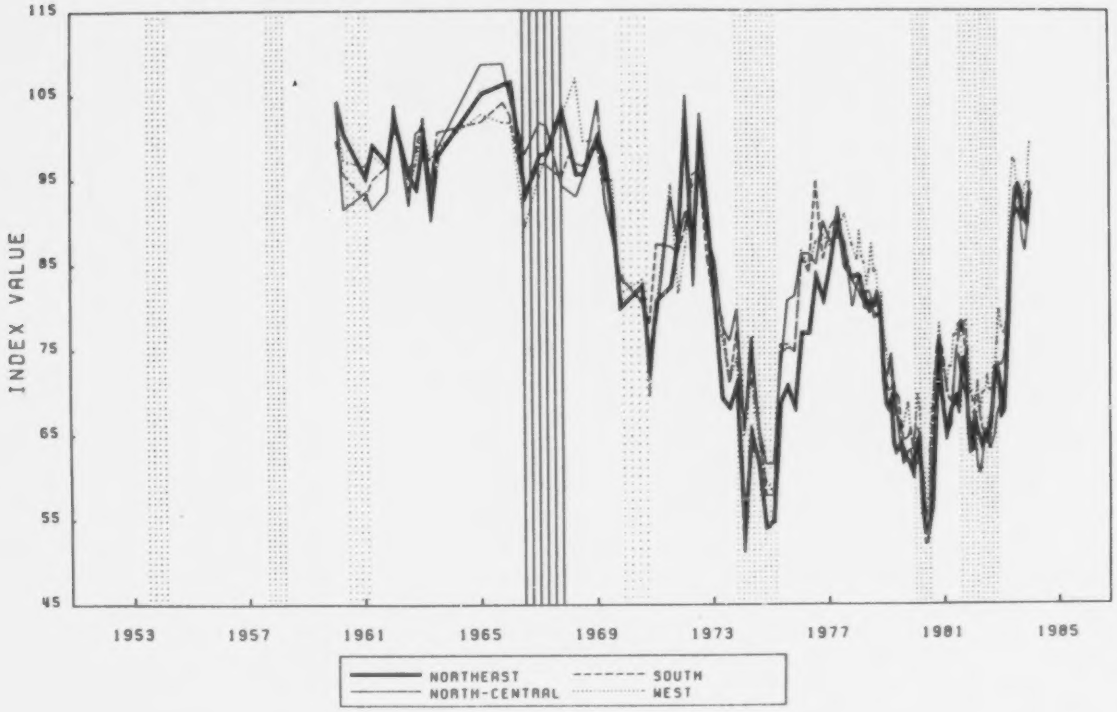


CHART 2B - HISTORICAL SERIES
INDEX OF CONSUMER SENTIMENT WITHIN AGE SUBGROUPS

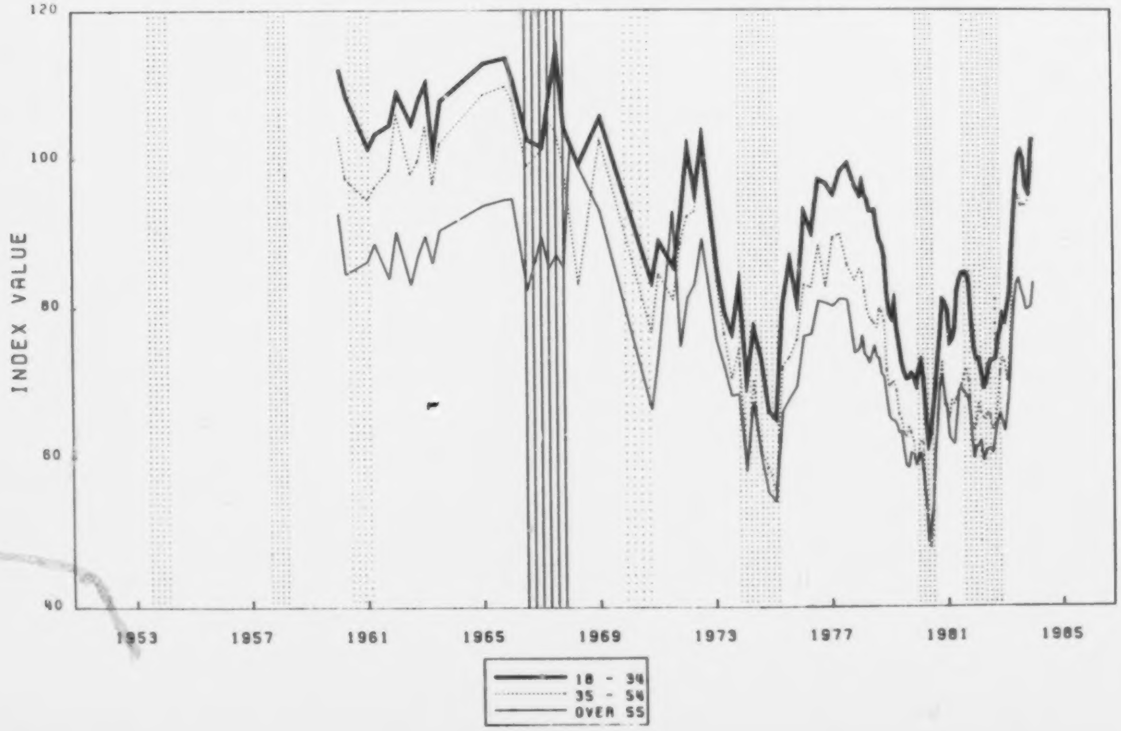
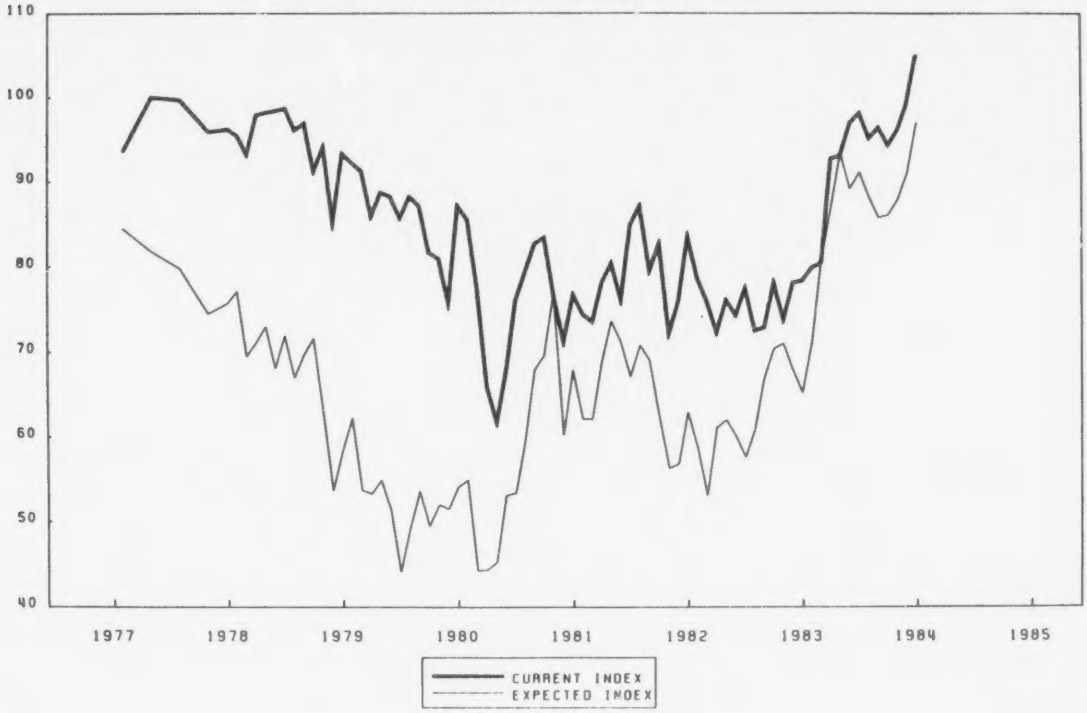


TABLE 2

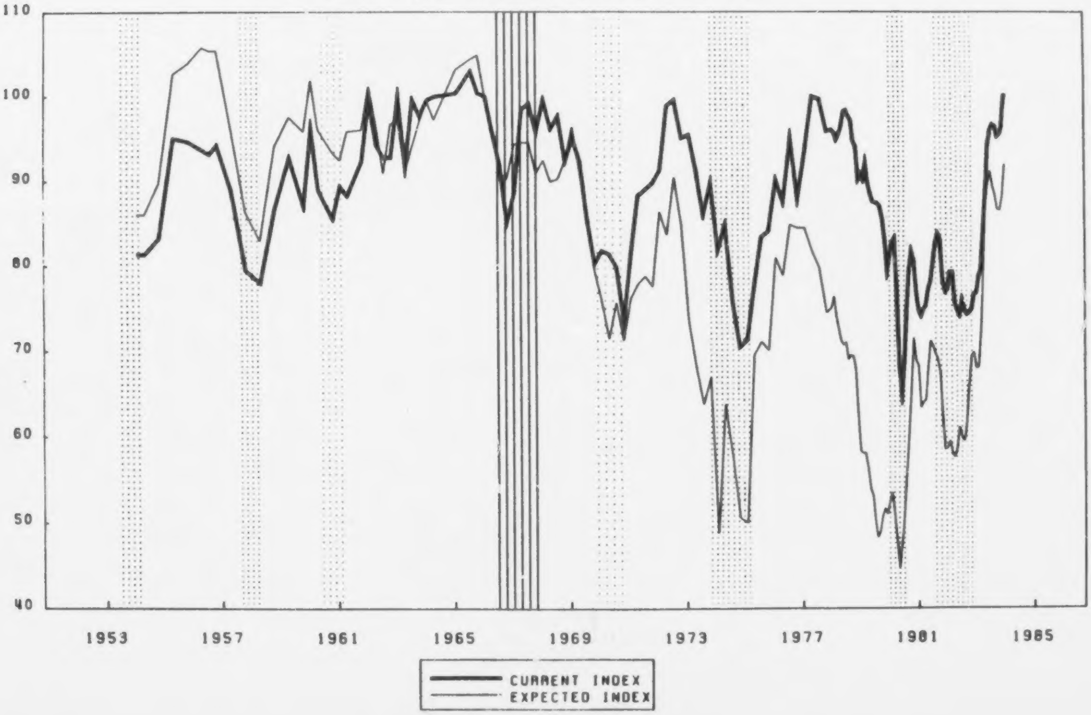
## INDEX OF CONSUMER SENTIMENT WITHIN REGION AND AGE SUBGROUPS

| | CENSUS REGION | | | | AGE OF RESPONDENT | | |
|---|---|---|---|---|---|---|---|
| DATE OF SURVEY | North East | North Central | South | West | 18-34 | 35-54 | 55+ |
| January 1981 | 68.2 | 70.9 | 72.5 | 74.4 | 77.2 | 70.2 | 67.9 |
| February 1981 | 64.5 | 62.6 | 70.2 | 70.8 | 72.5 | 68.4 | 59.6 |
| March 1981 | 66.5 | 62.6 | 64.9 | 73.7 | 77.3 | 63.9 | 58.4 |
| April 1981 | 72.6 | 72.7 | 71.0 | 74.2 | 81.5 | 68.3 | 66.9 |
| May 1981 | 66.8 | 76.6 | 77.5 | 82.2 | 87.7 | 71.2 | 70.0 |
| June 1981 | 68.5 | 74.0 | 75.2 | 73.8 | 81.7 | 67.0 | 69.6 |
| July 1981 | 68.9 | 72.2 | 76.5 | 78.1 | 84.2 | 70.6 | 67.6 |
| August 1981 | 77.0 | 70.1 | 83.2 | 79.2 | 87.8 | 75.0 | 67.9 |
| September 1981 | 75.1 | 69.9 | 72.4 | 76.6 | 81.4 | 68.8 | 69.2 |
| October 1981 | 67.9 | 68.2 | 68.9 | 79.0 | 80.7 | 65.9 | 64.8 |
| November 1981 | 55.8 | 64.7 | 61.1 | 68.8 | 71.3 | 59.6 | 57.7 |
| December 1981 | 65.0 | 65.3 | 64.4 | 61.6 | 70.9 | 65.3 | 56.7 |
| January 1982 | 68.8 | 67.3 | 72.0 | 76.2 | 76.6 | 67.4 | 68.5 |
| February 1982 | 65.9 | 60.6 | 71.8 | 68.8 | 71.5 | 68.3 | 59.0 |
| March 1982 | 60.5 | 55.8 | 64.7 | 68.2 | 65.5 | 61.4 | 58.8 |
| April 1982 | 67.2 | 64.6 | 65.0 | 65.8 | 70.6 | 65.5 | 60.4 |
| May 1982 | 62.4 | 66.5 | 66.6 | 75.7 | 72.7 | 67.6 | 62.0 |
| June 1982 | 65.4 | 65.0 | 64.9 | 68.6 | 72.4 | 64.4 | 60.3 |
| July 1982 | 65.1 | 64.0 | 63.5 | 71.1 | 73.4 | 63.3 | 60.6 |
| August 1982 | 68.1 | 60.6 | 64.0 | 70.6 | 72.6 | 62.9 | 60.2 |
| September 1982 | 70.3 | 67.2 | 71.1 | 68.8 | 73.0 | 66.7 | 68.0 |
| October 1982 | 77.8 | 66.2 | 74.1 | 79.3 | 81.2 | 72.1 | 65.5 |
| November 1982 | 70.6 | 67.9 | 73.2 | 79.3 | 76.6 | 75.7 | 63.8 |
| December 1982 | 66.1 | 70.0 | 72.5 | 80.4 | 78.9 | 71.7 | 64.2 |
| January 1983 | 64.9 | 70.5 | 73.6 | 72.8 | 78.8 | 70.0 | 62.0 |
| February 1983 | 72.1 | 72.3 | 75.8 | 77.2 | 82.1 | 68.3 | 72.4 |
| March 1983 | 82.9 | 73.7 | 82.7 | 84.4 | 84.9 | 81.5 | 75.5 |
| April 1983 | 89.1 | 88.0 | 87.2 | 95.6 | 95.8 | 90.5 | 80.5 |
| May 1983 | 88.3 | 90.7 | 93.3 | 102.7 | 97.2 | 97.1 | 84.9 |
| June 1983 | 95.1 | 88.7 | 92.5 | 94.1 | 97.8 | 94.4 | 83.9 |
| July 1983 | 98.3 | 93.8 | 89.9 | 94.3 | 106.0 | 93.6 | 83.0 |
| August 1983 | 89.6 | 92.0 | 91.3 | 89.6 | 99.2 | 92.9 | 80.0 |
| September 1983 | 92.6 | 87.8 | 89.3 | 90.8 | 94.8 | 94.5 | 80.9 |
| October 1983 | 89.9 | 83.7 | 91.5 | 93.5 | 94.2 | 93.8 | 77.8 |
| November 1983 | 87.7 | 88.3 | 91.5 | 98.5 | 97.2 | 94.6 | 80.7 |
| December 1983 | 91.4 | 96.2 | 95.2 | 92.2 | 102.3 | 97.5 | 81.8 |
| January 1984 | 100.7 | 96.8 | 97.5 | 107.5 | 107.9 | 106.0 | 87.4 |

## CHART 3 - RECENT CHANGES
## CURRENT AND EXPECTED COMPONENTS



## CHART 3 - HISTORICAL SERIES
## CURRENT AND EXPECTED COMPONENTS



## TABLE 3

## COMPONENTS OF THE INDEX OF CONSUMER SENTIMENT

| | INDEX COMPONENTS + | | | | | | |
|---|---|---|---|---|---|---|---|
| | Personal finances | | Business conditions | | Buying conds. | Current Index | Expected Index |
| | Current | Expected | 12 months | 5 years | | | |
| DATE OF SURVEY | (1) | (2) | (3) | (4) | (5) | (1,5) | (2,3,4) |
| January 1981 | 80 | 109 | 78 | 81 | 116 | 76.7 | 67.9 |
| February 1981 | 80 | 106 | 64 | 73 | 109 | 74.4 | 62.1 |
| March 1981 | 86 | 104 | 68 | 72 | 101 | 73.5 | 62.1 |
| April 1981 | 79 | 111 | 83 | 78 | 121 | 78.1 | 68.8 |
| May 1981 | 95 | 118 | 92 | 81 | 111 | 80.4 | 73.6 |
| June 1981 | 89 | 113 | 91 | 78 | 104 | 76.1 | 71.2 |
| July 1981 | 99 | 114 | 81 | 70 | 118 | 84.9 | 67.1 |
| August 1981 | 100 | 117 | 92 | 72 | 123 | 87.1 | 70.8 |
| September 1981 | 94 | 113 | 80 | 80 | 109 | 79.5 | 69.0 |
| October 1981 | 95 | 110 | 68 | 67 | 117 | 82.7 | 62.3 |
| November 1981 | 85 | 110 | 54 | 56 | 99 | 72.1 | 56.3 |
| December 1981 | 94 | 110 | 54 | 61 | 101 | 75.9 | 56.8 |
| January 1982 | 92 | 115 | 66 | 70 | 124 | 83.5 | 62.9 |
| February 1982 | 91 | 112 | 56 | 65 | 111 | 78.6 | 58.7 |
| March 1982 | 89 | 106 | 44 | 60 | 106 | 75.9 | 53.1 |
| April 1982 | 87 | 111 | 62 | 70 | 99 | 72.3 | 61.1 |
| May 1982 | 94 | 113 | 62 | 72 | 102 | 76.1 | 62.0 |
| June 1982 | 92 | 116 | 58 | 65 | 99 | 74.3 | 60.1 |
| July 1982 | 90 | 113 | 53 | 63 | 110 | 77.5 | 57.6 |
| August 1982 | 89 | 110 | 64 | 69 | 97 | 72.5 | 60.9 |
| September 1982 | 89 | 116 | 76 | 74 | 98 | 72.9 | 66.9 |
| October 1982 | 95 | 119 | 79 | 83 | 106 | 78.1 | 70.4 |
| November 1982 | 85 | 121 | 77 | 86 | 105 | 73.8 | 71.0 |
| December 1982 | 90 | 117 | 74 | 80 | 111 | 78.1 | 67.9 |
| January 1983 | 91 | 115 | 76 | 69 | 111 | 78.4 | 65.2 |
| February 1983 | 89 | 117 | 87 | 81 | 117 | 79.9 | 71.2 |
| March 1983 | 92 | 126 | 113 | 85 | 115 | 80.5 | 80.9 |
| April 1983 | 108 | 131 | 120 | 99 | 131 | 92.7 | 86.9 |
| May 1983 | 101 | 137 | 139 | 100 | 139 | 93.1 | 93.4 |
| June 1983 | 110 | 128 | 134 | 97 | 141 | 96.9 | 89.2 |
| July 1983 | 111 | 126 | 136 | 104 | 143 | 98.1 | 91.1 |
| August 1983 | 106 | 124 | 130 | 100 | 140 | 95.1 | 88.2 |
| September 1983 | 109 | 125 | 125 | 95 | 140 | 96.4 | 85.8 |
| October 1983 | 104 | 124 | 124 | 98 | 140 | 94.3 | 86.1 |
| November 1983 | 111 | 127 | 129 | 98 | 138 | 96.1 | 87.9 |
| December 1983 | 123 | 125 | 140 | 102 | 134 | 99.3 | 91.0 |
| January 1984 | 117 | 129 | 154 | 108 | 155 | 104.9 | 97.0 |

(1) See Table 4.
(2) See Table 6.
(3) See Table 18.
(4) See Table 19.
(5) See Table 26.

+ : Percent saying "GOOD TIMES" (or "BETTER"), minus percent saying "BAD TIMES"

CHART 4 - RECENT CHANGES
CURRENT FINANCIAL SITUATION COMPARED WITH A YEAR AGO

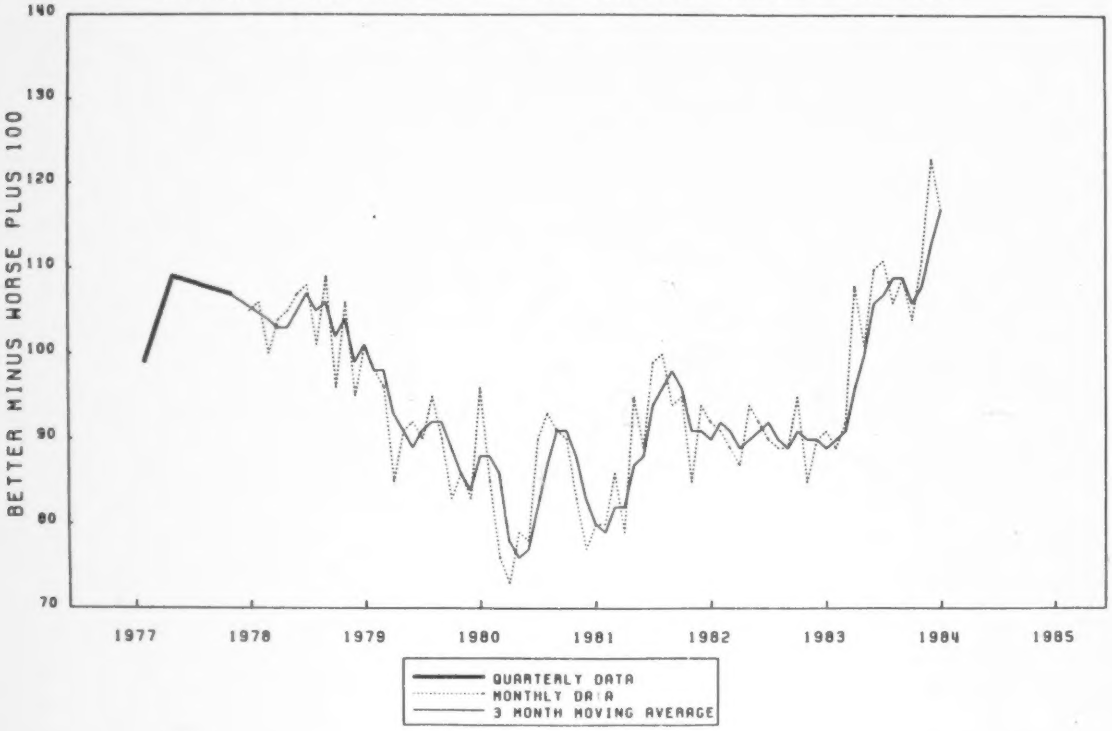


CHART 4 - HISTORICAL SERIES
CURRENT FINANCIAL SITUATION COMPARED WITH A YEAR AGO

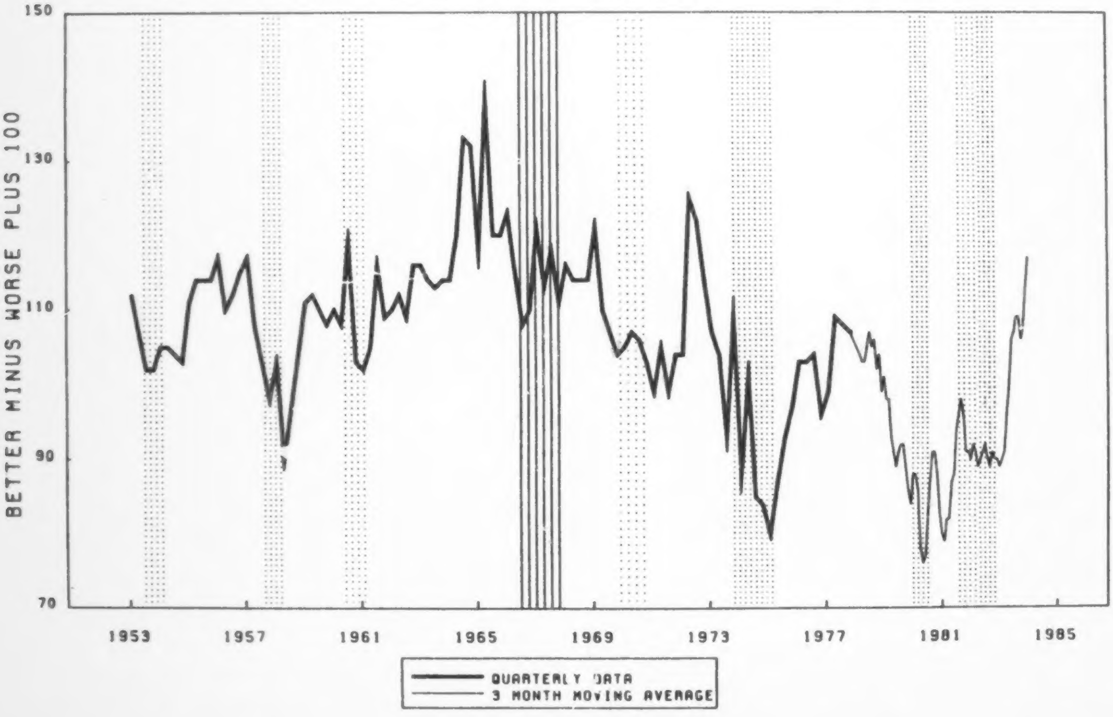


TABLE 4

CURRENT FINANCIAL SITUATION COMPARED TO A YEAR AGO

| | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| BETTER OFF | 29% | 30% | 31% | 39% | 34% | 38% | 40% | 36% | 38% | 36% | 38% | 45% | 42% |
| SAME | 33 | 29 | 30 | 30 | 33 | 33 | 31 | 34 | 33 | 32 | 35 | 33 | 32 |
| WORSE OFF | 38 | 41 | 39 | 31 | 33 | 28 | 29 | 30 | 29 | 32 | 27 | 22 | 25 |
| DK,NA | * | * | * | * | * | 1 | * | * | * | * | * | * | 1 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 682 | 709 | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 |

The question was: "We are interested in how people are getting along financially these days. Would you say that you (and your family living there) are better off or worse off financially than you were a year ago?"

* : Less than half of one percent.

CHART 5 - RECENT CHANGES
REASONS FOR OPINIONS ABOUT PERSONAL FINANCIAL SITUATION

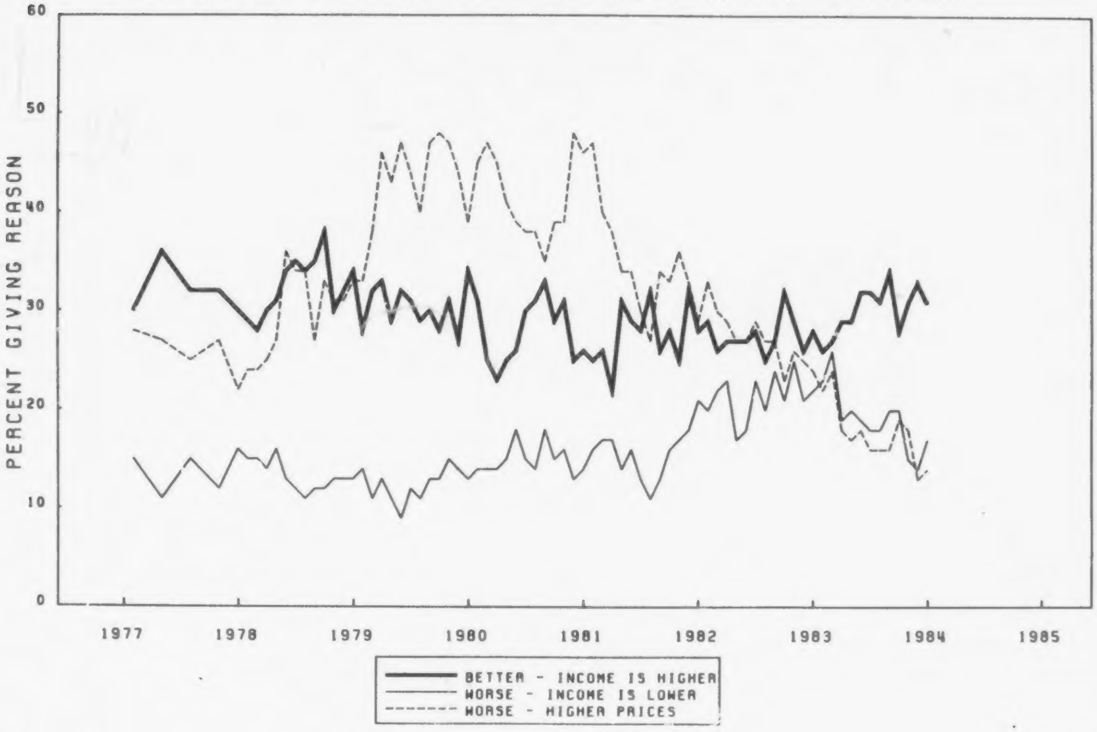
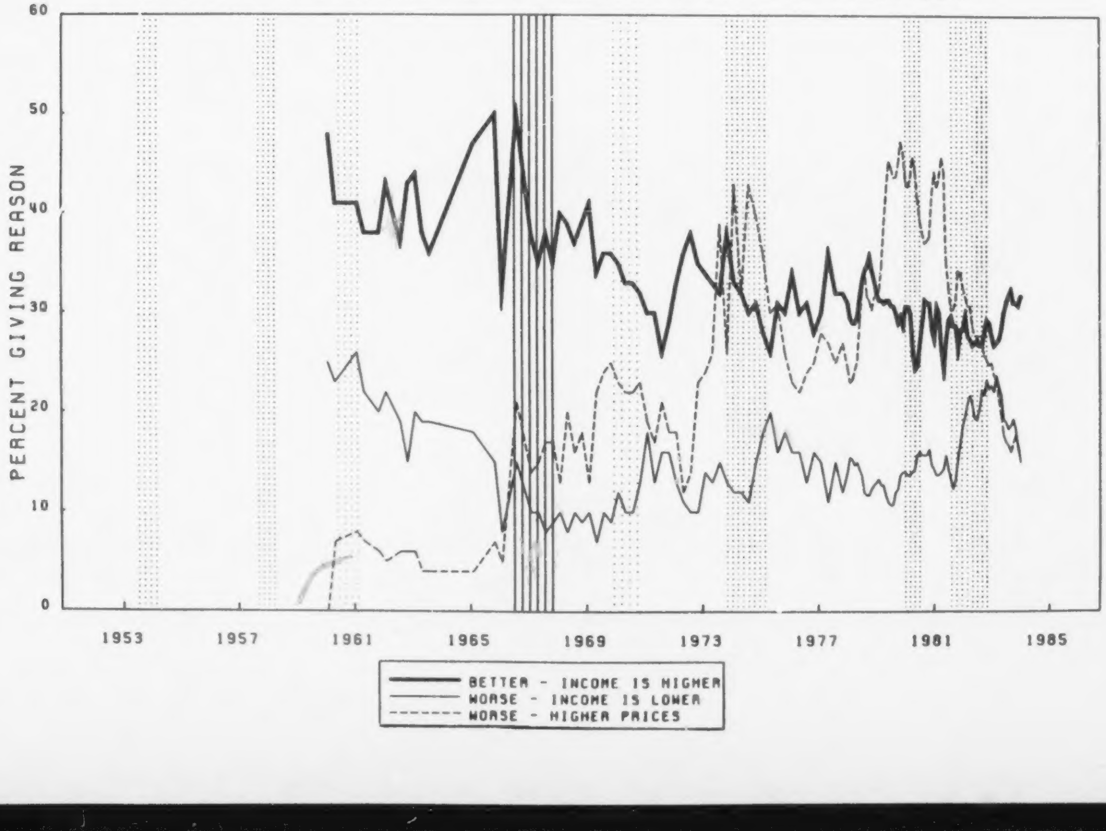


CHART 5 - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT PERSONAL FINANCIAL SITUATION



## TABLE 5

## SELECTED REASONS FOR OPINIONS ABOUT PERSONAL FINANCIAL SITUATION +

| | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| BETTER OFF THAN YEAR AGO: | | | | | | | | | | | | | |
| Income is higher | 28% | 26% | 27% | 29% | 29% | 32% | 32% | 31% | 34% | 28% | 31% | 33% | 31% |
| WORSE OFF THAN YEAR AGO: | | | | | | | | | | | | | |
| Income is lower | 22 | 23 | 26 | 19 | 20 | 19 | 18 | 18 | 20 | 20 | 15 | 14 | 17 |
| Higher prices | 24 | 22 | 24 | 18 | 17 | 18 | 16 | 16 | 16 | 19 | 18 | 13 | 14 |

Responses to the query: "Why do you say so?" following the question on Table 4.

+ : May add to more than 100% due to multiple mentions.

CHART 6 - RECENT CHANGES
EXPECTED CHANGE IN FINANCIAL SITUATION

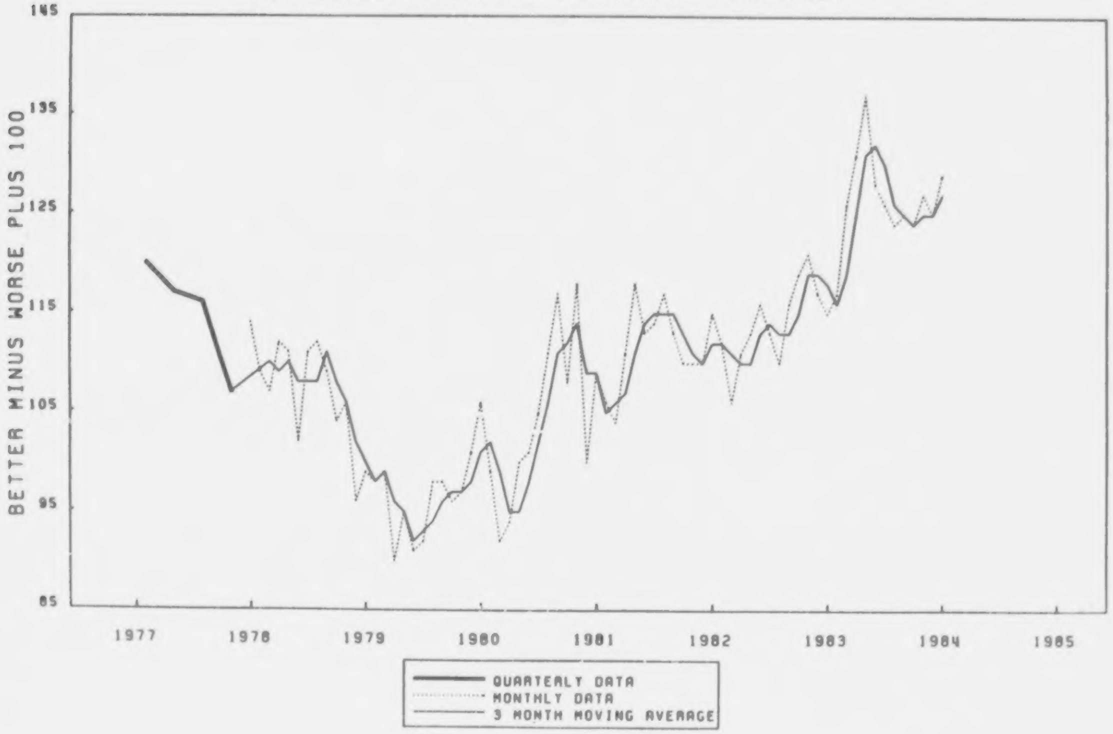
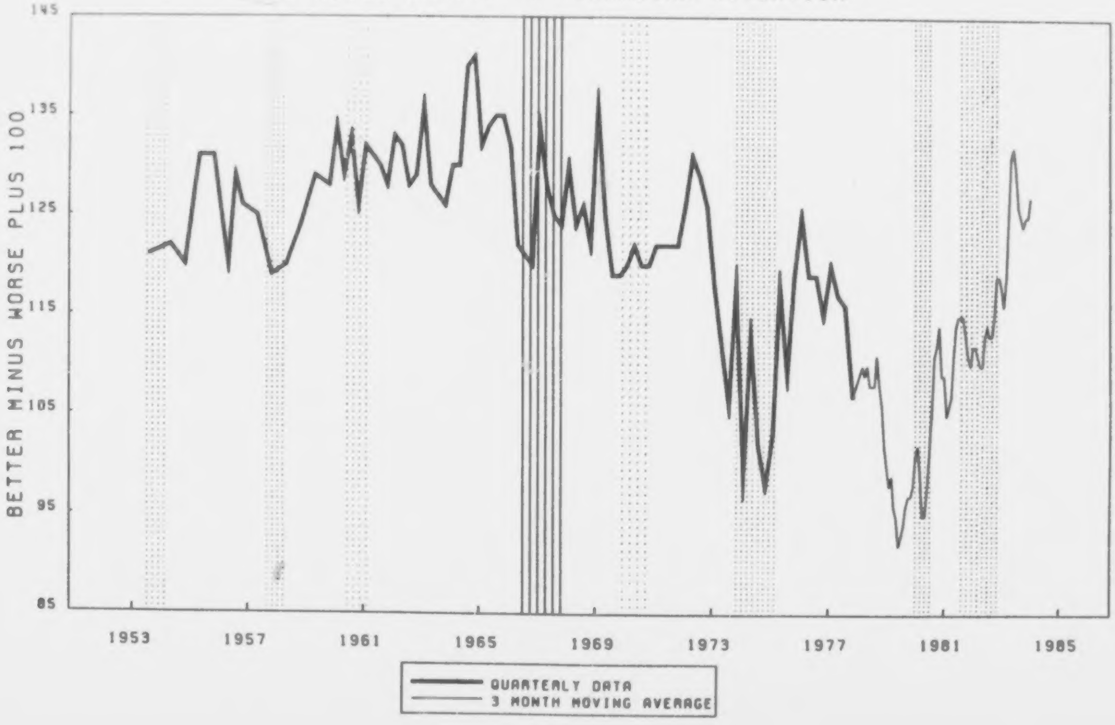


CHART 6 - HISTORICAL SERIES
EXPECTED CHANGE IN FINANCIAL SITUATION



## TABLE 6

## EXPECTED CHANGE IN FINANCIAL SITUATION

| | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| BETTER OFF | 34% | 33% | 39% | 40% | 43% | 37% | 35% | 37% | 37% | 37% | 38% | 35% | 38% |
| SAME | 44 | 47 | 46 | 47 | 47 | 52 | 52 | 46 | 48 | 46 | 47 | 51 | 50 |
| WORSE OFF | 19 | 16 | 13 | 9 | 6 | 9 | 9 | 13 | 12 | 13 | 11 | 10 | 9 |
| DK,NA | 3 | 4 | 2 | 4 | 4 | 2 | 4 | 4 | 3 | 4 | 4 | 4 | 3 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 682 | 709 | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 |

The question was: "Now looking ahead--do you think that a year from now you (and your family living there) will be better off financially, or worse off, or just about the same as now?"

CHART 7 - RECENT CHANGES
TREND IN PERSONAL FINANCIAL SITUATION

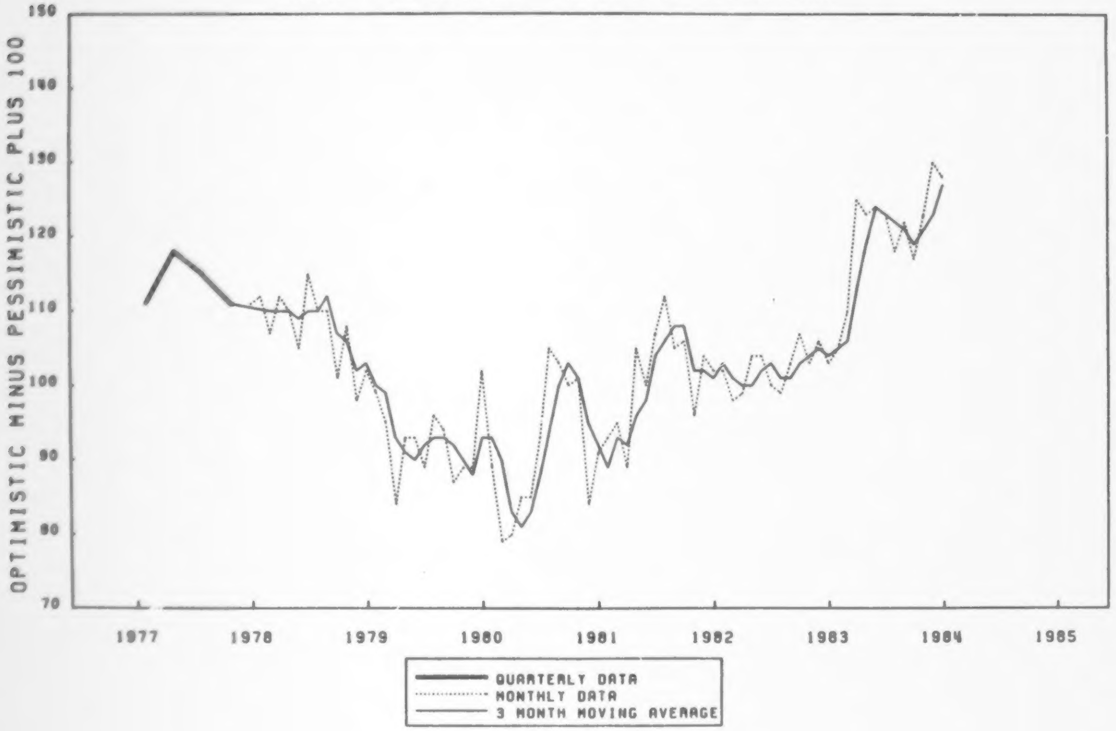
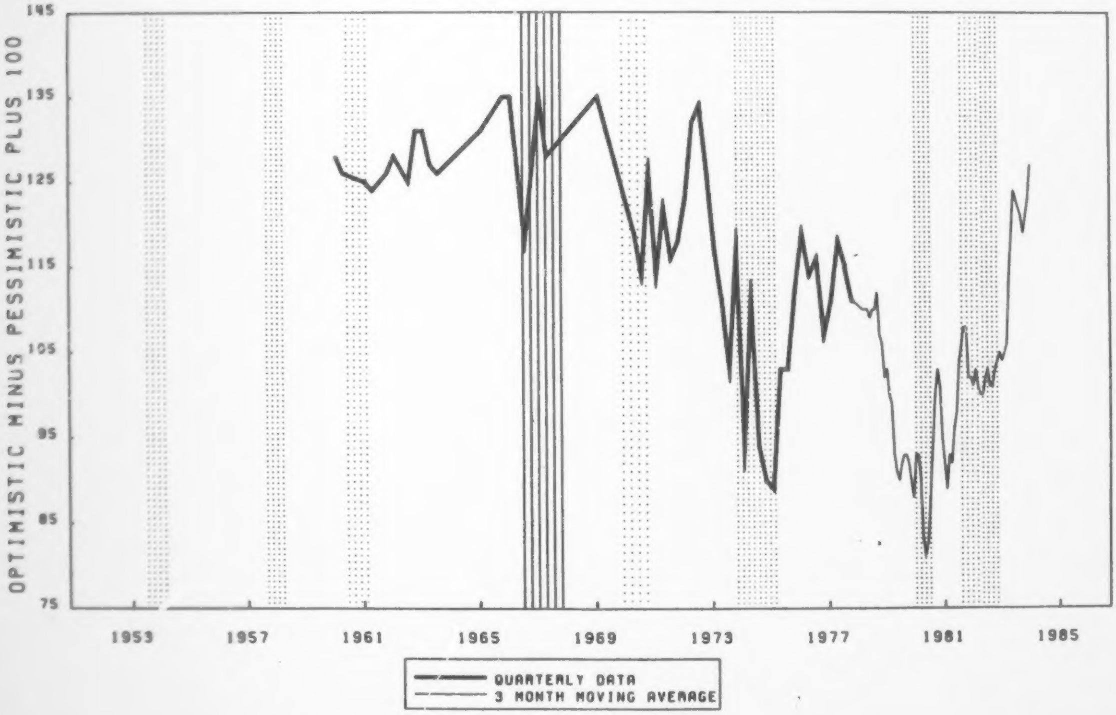


CHART 7 - HISTORICAL SERIES
TREND IN PERSONAL FINANCIAL SITUATION



## TABLE 7

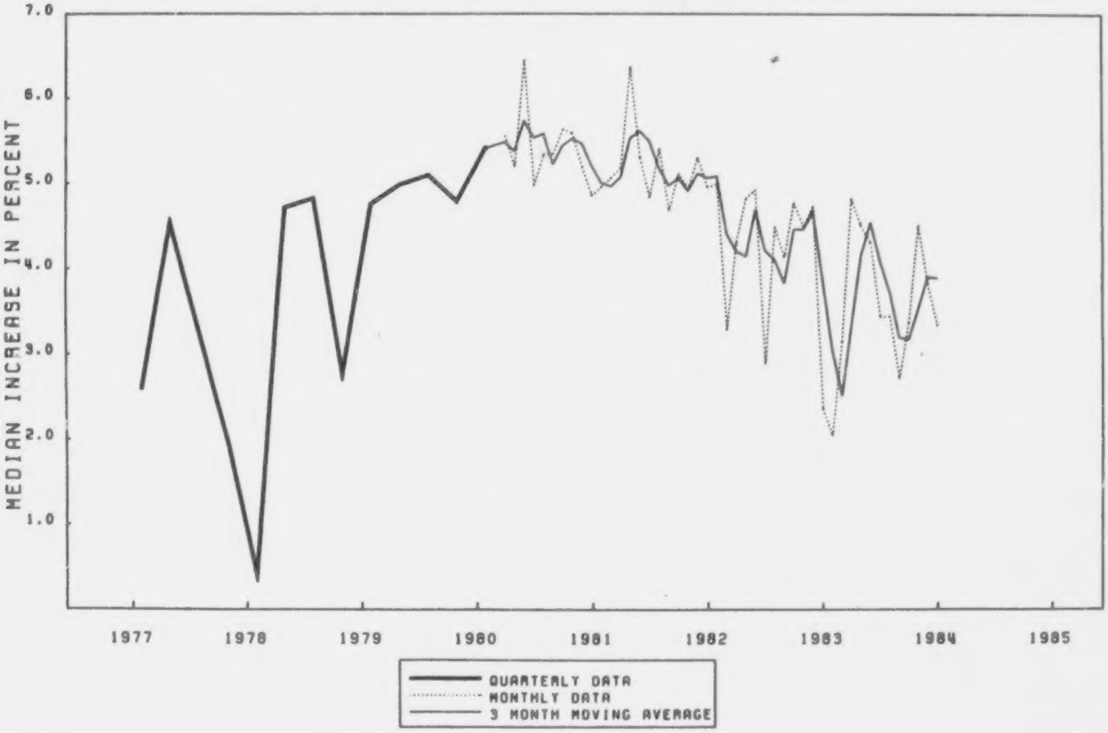
## TREND IN PERSONAL FINANCIAL SITUATION

| | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| PERSONAL FINANCIAL PROGRESS: | | | | | | | | | | | | | |
| Continuous increase (a) | 15% | 13% | 16% | 19% | 18% | 19% | 20% | 19% | 18% | 19% | 20% | 22% | 22% |
| Intermittent increase (b) | 20 | 22 | 22 | 26 | 25 | 26 | 24 | 23 | 27 | 23 | 23 | 26 | 26 |
| Remain unchanged (c) | 16 | 16 | 16 | 18 | 18 | 20 | 21 | 19 | 18 | 18 | 21 | 22 | 18 |
| Intermittent decline (d) | 21 | 20 | 21 | 15 | 18 | 17 | 16 | 18 | 17 | 18 | 15 | 13 | 16 |
| Continuous decline (e) | 11 | 10 | 7 | 5 | 2 | 4 | 5 | 6 | 6 | 7 | 5 | 5 | 4 |
| Mixed change (f) | 13 | 14 | 16 | 13 | 15 | 11 | 10 | 10 | 11 | 11 | 11 | 8 | 10 |
| DK,NA | 4 | 5 | 2 | 4 | 4 | 3 | 4 | 5 | 3 | 4 | 5 | 4 | 4 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 682 | 709 | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 |

Combination of the responses to the questions on Tables 4 and 6.

Key: (a) Better off financially than a year ago/Better off a year from now
(b) Better/Same or Same/Better
(c) Same/Same
(d) Worse/Same or Same/Worse
(e) Worse/Worse
(f) Worse/Better or Better/Worse

CHART 8 - RECENT CHANGES
MEDIAN EXPECTED CHANGE IN FAMILY INCOME



## TABLE 8

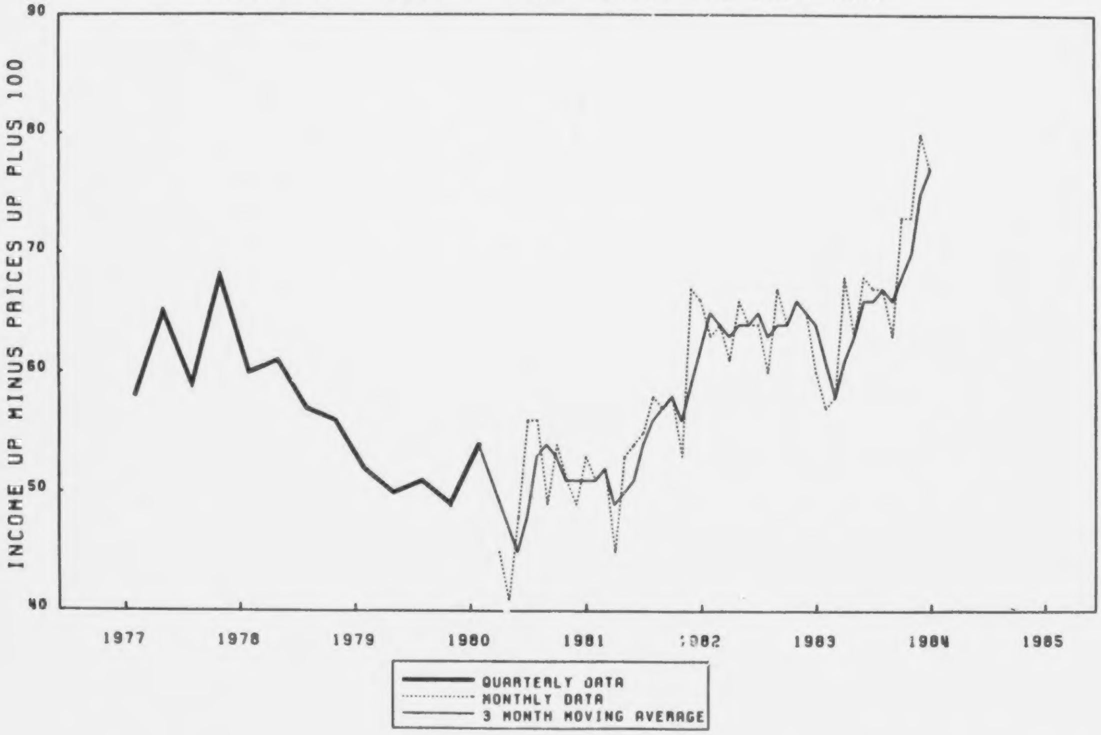
### EXPECTED FAMILY INCOME CHANGE DURING THE NEXT 12 MONTHS

| | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| EXPECT INCREASE: | | | | | | | | | | | | | |
| 1-4% | 11% | 7% | 7% | 9% | 8% | 8% | 9% | 13% | 11% | 11% | 12% | 12% | 15% |
| 5% | 9 | 9 | 10 | 12 | 9 | 11 | 12 | 10 | 12 | 10 | 9 | 10 | 11 |
| 6-9% | 8 | 8 | 10 | 12 | 8 | 11 | 10 | 10 | 5 | 10 | 8 | 10 | 8 |
| 10-24% | 13 | 16 | 16 | 19 | 20 | 16 | 15 | 15 | 14 | 15 | 19 | 16 | 16 |
| 25% or more | 7 | 8 | 7 | 7 | 9 | 8 | 7 | 8 | 9 | 7 | 8 | 7 | 7 |
| DK how much up | 6 | 4 | 5 | 4 | 5 | 4 | 4 | 4 | 6 | 5 | 7 | 5 | 4 |
| EXPECT SAME | 28 | 30 | 26 | 25 | 26 | 28 | 28 | 23 | 30 | 26 | 23 | 26 | 27 |
| EXPECT DOWN | 17 | 16 | 17 | 10 | 14 | 13 | 13 | 14 | 12 | 13 | 11 | 12 | 10 |
| DK,NA | 1 | 2 | 2 | 2 | 1 | 1 | 2 | 3 | 1 | 3 | 3 | 2 | 2 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 682 | 709 | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 |

The questions were: "During the next 12 months, do you expect your (family) income to be higher or lower than during the past year?" and "By about what percent do you expect your (family) income to increase during the next 12 months?"

CHART 9 - RECENT CHANGES

INCOME OR PRICES UP MORE DURING THE LAST YEAR



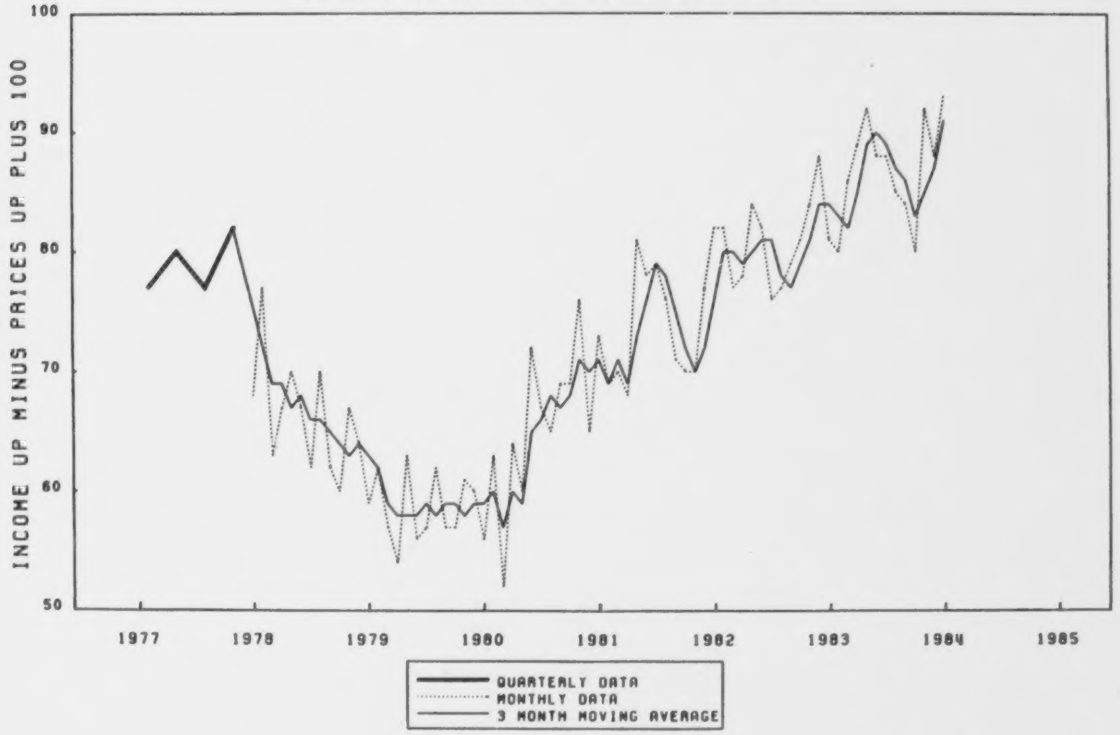
## TABLE 9

## PAST CHANGE IN REAL FAMILY INCOME

| | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| INCOME UP MORE | 14% | 14% | 16% | 17% | 16% | 17% | 18% | 20% | 15% | 20% | 22% | 23% | 23% |
| INCOME UP SAME | 30 | 27 | 25 | 32 | 30 | 32 | 29 | 26 | 31 | 32 | 28 | 32 | 29 |
| PRICES UP MORE | 54 | 57 | 58 | 49 | 53 | 49 | 51 | 53 | 52 | 47 | 49 | 43 | 46 |
| DK,NA | 2 | 2 | 1 | 2 | 1 | 2 | 2 | 1 | 2 | 1 | 1 | 2 | 2 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 682 | 709 | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 |

The question was: "During the last year or two, would you say that your (family) income went up more than prices, went up about the same as prices, or went up less than prices?"

CHART 10 - RECENT CHANGES
INCOME OR PRICES UP MORE NEXT YEAR



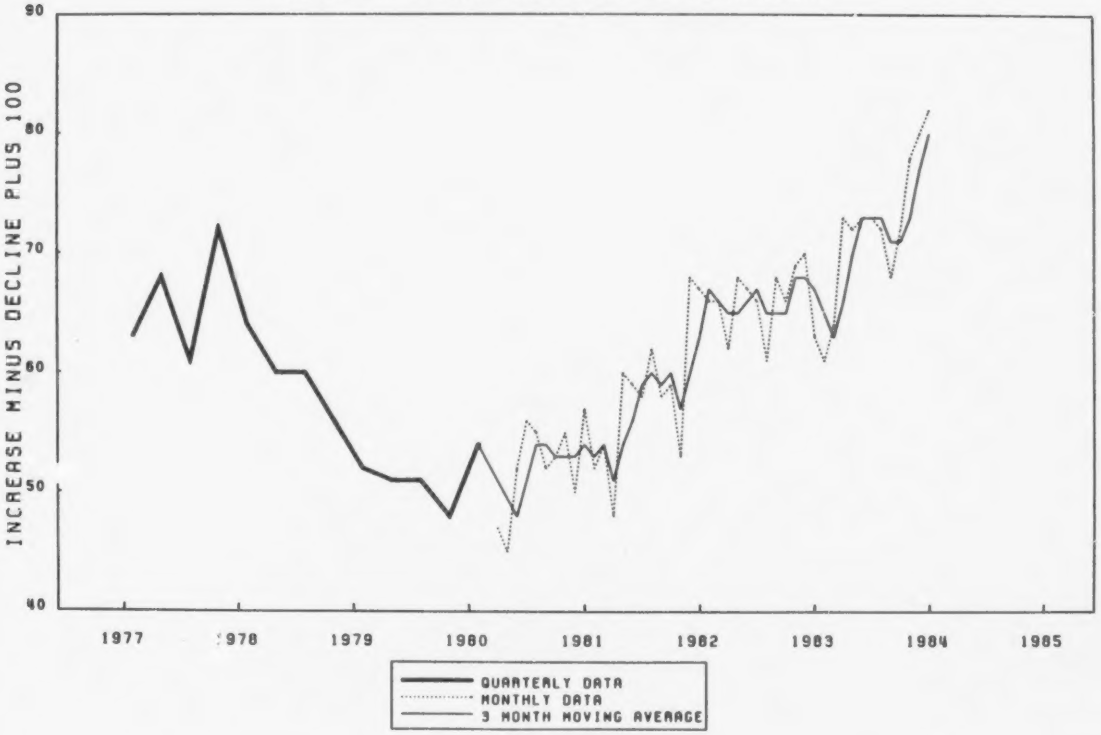
## TABLE 10

## EXPECTED CHANGE IN REAL FAMILY INCOME

| | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| INCOME UP MORE | 19% | 16% | 21% | 19% | 24% | 20% | 22% | 19% | 19% | 18% | 23% | 20% | 23% |
| INCOME UP SAME | 40 | 44 | 41 | 46 | 42 | 46 | 41 | 43 | 44 | 41 | 42 | 45 | 45 |
| PRICES UP MORE | 38 | 36 | 35 | 30 | 32 | 32 | 34 | 34 | 35 | 38 | 31 | 32 | 30 |
| DK,NA | 3 | 4 | 3 | 5 | 2 | 2 | 3 | 4 | 2 | 3 | 4 | 3 | 2 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 682 | 709 | 686 | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 |

The question was: "How about the next year or two--do you expect that your (family) income will go up more than prices will go up, about the same, or less than prices will go up?"

CHART 11 - RECENT CHANGES
TREND IN INCOME AND PRICE COMPARISON



## TABLE 11

## TREND IN FAMILY INCOME AND PRICES COMPARISONS

| | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| REAL INCOME PROGRESS: | | | | | | | | | | | | | |
| Continuous increase (a) | 8% | 8% | 10% | 9% | 10% | 9% | 10% | 10% | 8% | 11% | 13% | 12% | 12% |
| Intermittent increase (b) | 9 | 8 | 8 | 11 | 10 | 12 | 13 | 13 | 10 | 10 | 12 | 14 | 14 |
| Remain unchanged (c) | 18 | 17 | 15 | 21 | 19 | 21 | 17 | 16 | 21 | 20 | 17 | 19 | 19 |
| Intermittent decline (d) | 24 | 27 | 27 | 23 | 23 | 23 | 23 | 24 | 23 | 21 | 23 | 23 | 21 |
| Continuous decline (e) | 30 | 28 | 27 | 24 | 25 | 25 | 27 | 27 | 27 | 28 | 24 | 23 | 23 |
| Mixed change (f) | 7 | 7 | 9 | 7 | 11 | 7 | 7 | 6 | 8 | 7 | 7 | 6 | 8 |
| DK,NA | 4 | 5 | 4 | 5 | 2 | 3 | 3 | 4 | 3 | 3 | 4 | 3 | 3 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 682 | 709 | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 |

Combination of the responses to the questions on Tables 9 and 10.

Key: (a) Income up more last year/Income up more next year
(b) Income up more/Same or Income up same/More
(c) Income up same/Same
(d) Prices up more/Same or Prices up same/More
(e) Prices up more/More
(f) Income up more/Prices up more or Prices up more/Income up more

CHART 12 - RECENT CHANGES
NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS

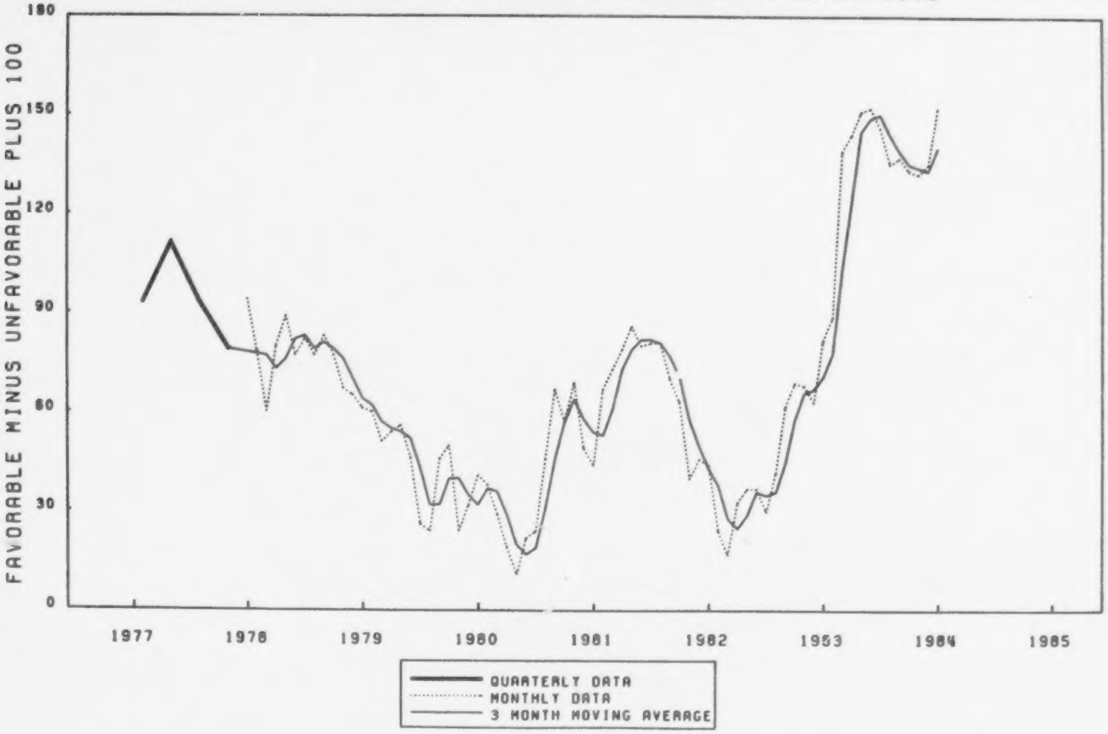
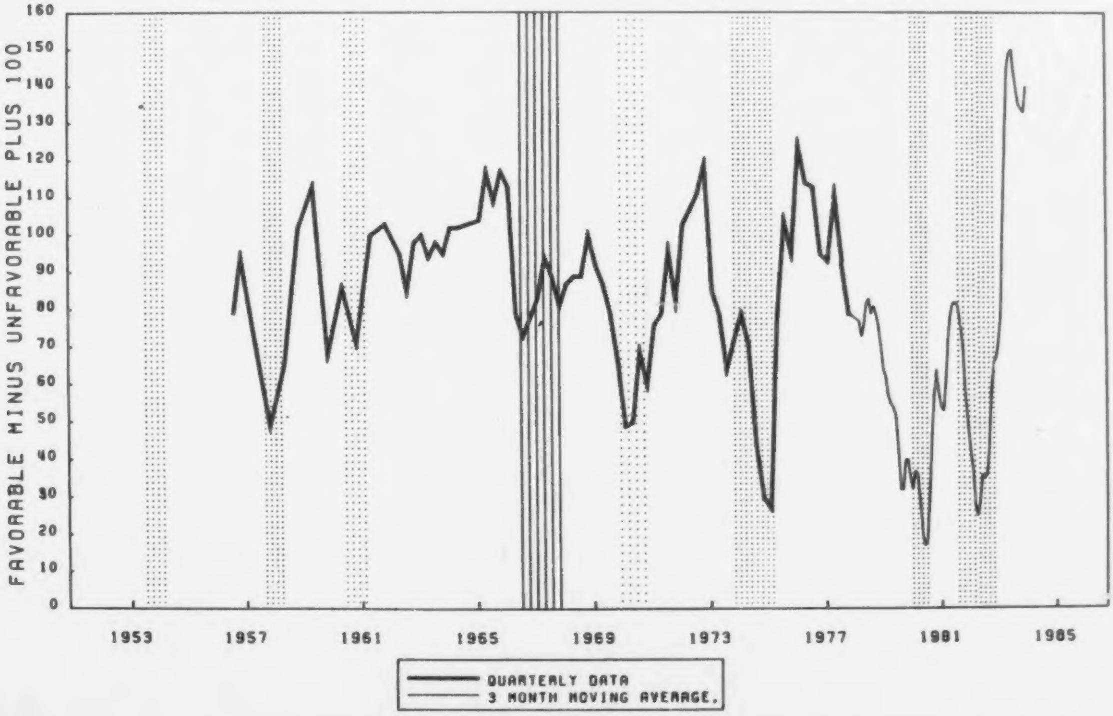


CHART 12 - HISTORICAL SERIES
NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS



## TABLE 12

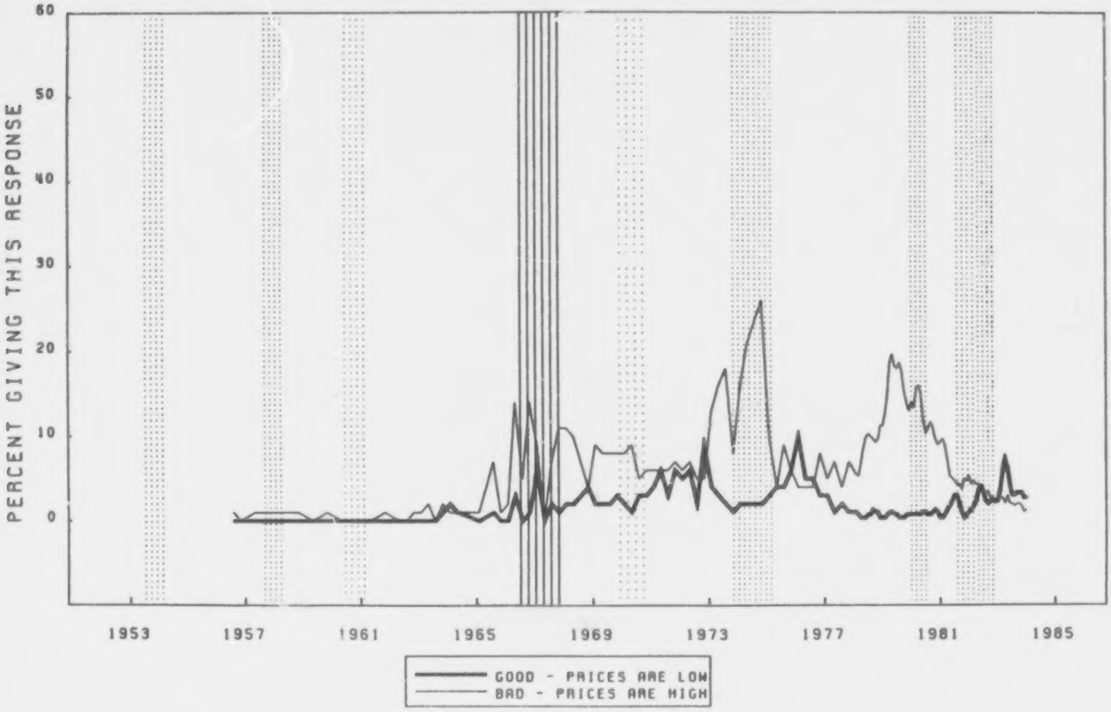
### NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS +

| | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| FAVORABLE NEWS | 47% | 49% | 79% | 76% | 80% | 83% | 74% | 69% | 64% | 63% | 62% | 60% | 78% |
| UNFAVORABLE NEWS | 65 | 60 | 40 | 32 | 29 | 31 | 28 | 34 | 27 | 30 | 30 | 25 | 26 |
| NO MENTIONS | 28 | 32 | 28 | 32 | 31 | 27 | 34 | 34 | 43 | 41 | 39 | 42 | 33 |

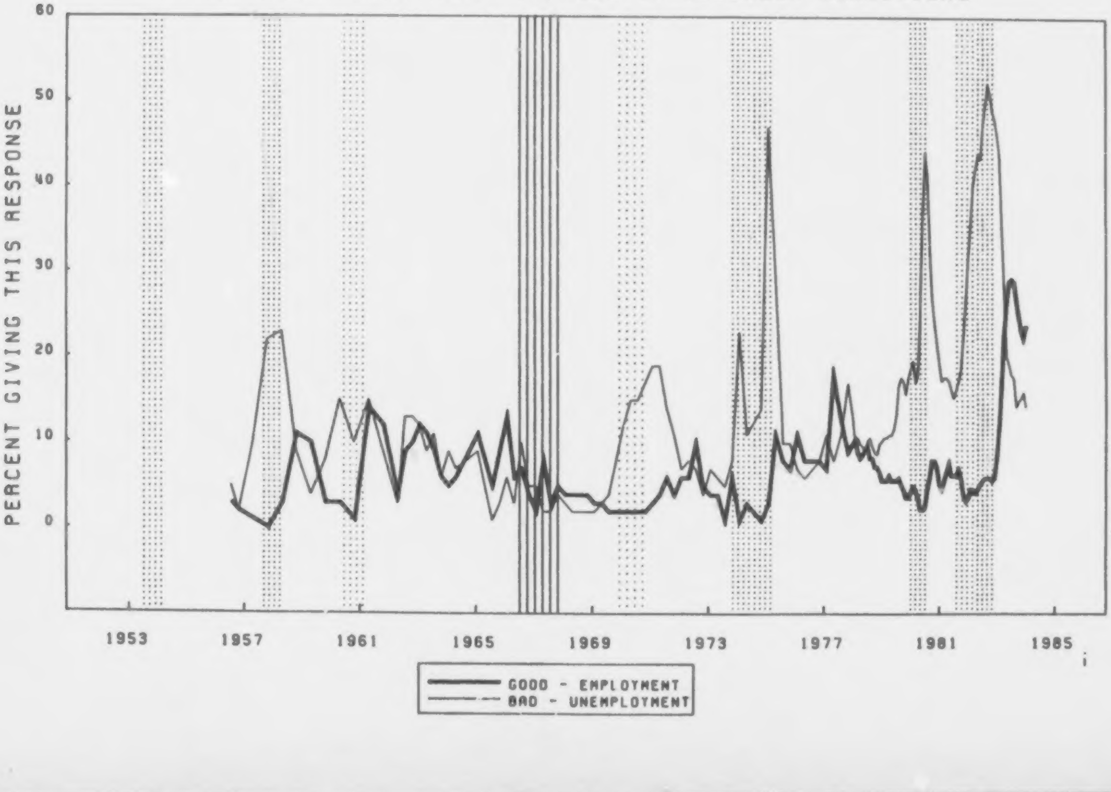
The questions were: "During the last few months, have you heard of any favorable or unfavorable changes in business conditions?" and "What did you hear?"

+ : May add to more than 100% due to multiple mentions.

## CHART 13A - HISTORICAL SERIES
## TYPE OF NEWS HEARD ABOUT CHANGES IN BUSINESS CONDITIONS



## CHART 13B - HISTORICAL SERIES
## TYPE OF NEWS HEARD ABOUT CHANGES IN BUSINESS CONDITIONS



## TABLE 13

## SELECTED ITEMS OF
## NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS +

| | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| FAVORABLE NEWS: | | | | | | | | | | | | | |
| Government; elections | 3% | 2% | 2% | 2% | 1% | 1% | 2% | 2% | 1% | 2% | 2% | 1% | 3% |
| Employment | 12 | 17 | 22 | 29 | 28 | 31 | 29 | 27 | 25 | 23 | 22 | 22 | 27 |
| Consumer demand high | 4 | 6 | 8 | 8 | 11 | 12 | 11 | 13 | 11 | 11 | 13 | 12 | 18 |
| Prices are low | 3 | 6 | 9 | 7 | 3 | 3 | 3 | 3 | 4 | 3 | 3 | 2 | 3 |
| Credit is easy | 15 | 9 | 17 | 15 | 16 | 17 | 11 | 8 | 8 | 7 | 5 | 4 | 5 |
| UNFAVORABLE NEWS: | | | | | | | | | | | | | |
| Government; elections | 3 | 4 | 2 | 3 | 3 | 2 | 2 | 3 | 1 | 1 | 2 | 3 | 2 |
| Unemployment | 43 | 39 | 24 | 20 | 17 | 21 | 16 | 16 | 11 | 18 | 17 | 13 | 13 |
| Consumer demand low | 5 | 3 | 3 | 3 | 2 | 2 | 2 | 2 | 1 | 1 | 2 | * | 2 |
| Prices are high | 3 | 3 | 2 | 1 | 3 | 2 | 1 | 2 | 3 | 1 | 1 | 1 | 2 |
| Credit is tight | 2 | 1 | * | 1 | 1 | 1 | 3 | 6 | 4 | 2 | 1 | 2 | 1 |
| Energy crisis | * | * | * | * | * | * | * | * | * | * | * | * | * |

The questions were: "During the last few months, have you heard of any favorable or unfavorable changes in business conditions?" and "What did you hear?"

+ : May add to more than 100% due to multiple mentions.

* : Less than half of one percent.

CHART 14 - RECENT CHANGES
CURRENT BUSINESS CONDITIONS COMPARED WITH A YEAR AGO

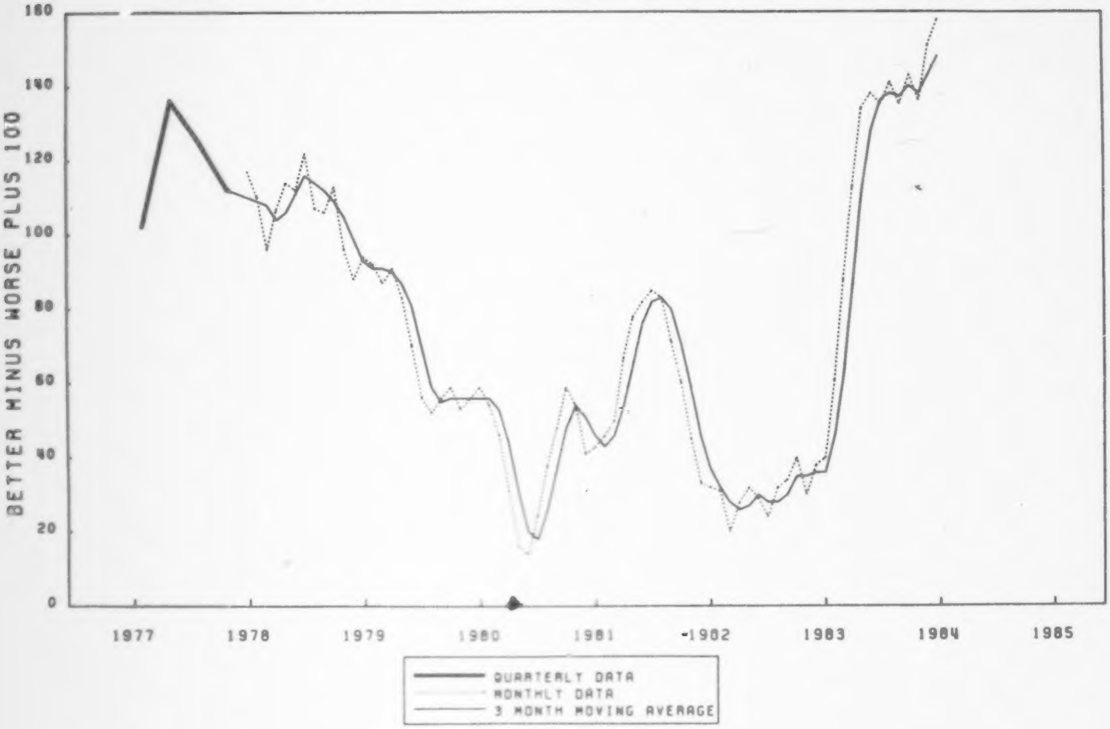
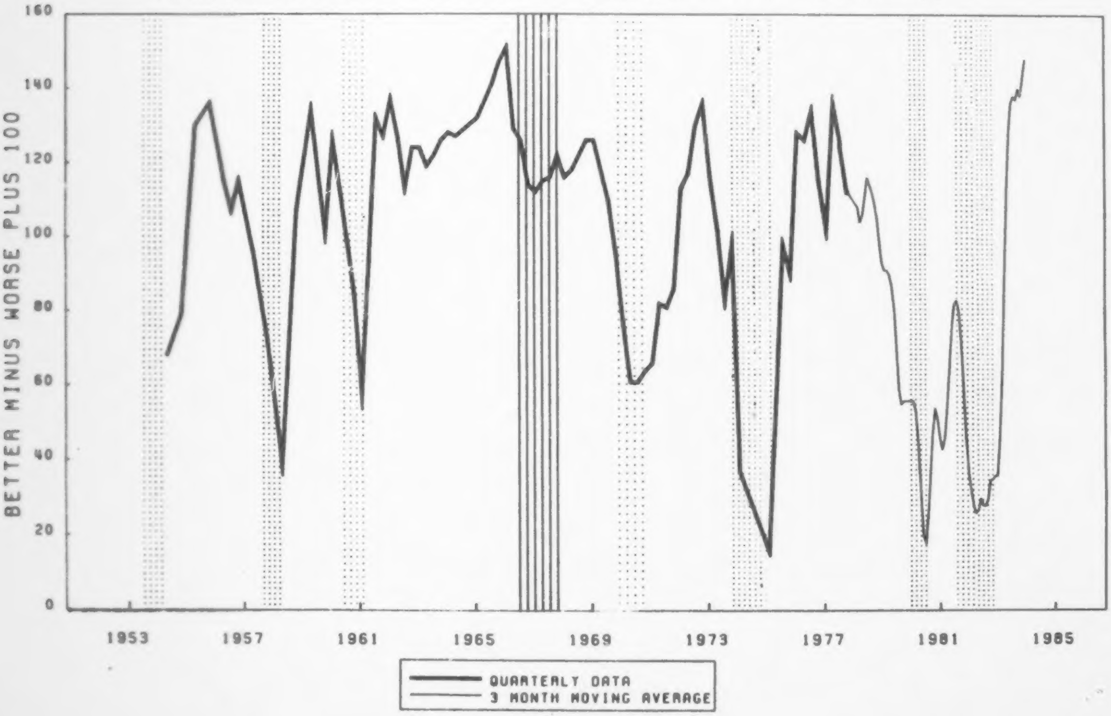


CHART 14 - HISTORICAL SERIES
CURRENT BUSINESS CONDITIONS COMPARED WITH A YEAR AGO



## TABLE 14

## CURRENT BUSINESS CONDITIONS COMPARED TO A YEAR AGO

| | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| BETTER NOW | 16% | 26% | 39% | 51% | 62% | 64% | 63% | 66% | 62% | 66% | 63% | 71% | 75% |
| SAME | 8 | 8 | 10 | 10 | 10 | 9 | 8 | 8 | 10 | 9 | 8 | 8 | 6 |
| WORSE NOW | 76 | 65 | 51 | 38 | 28 | 26 | 28 | 25 | 27 | 23 | 27 | 20 | 17 |
| DK,NA | * | 1 | * | 1 | * | 1 | 1 | 1 | 1 | 2 | 2 | 1 | 2 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 682 | 709 | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 |

The question was: "Would you say that at the present time business conditions are better or worse than they were a year ago?"

* : Less than half of one percent.

CHART 15 - RECENT CHANGES
EXPECTED CHANGE IN BUSINESS CONDITIONS IN A YEAR

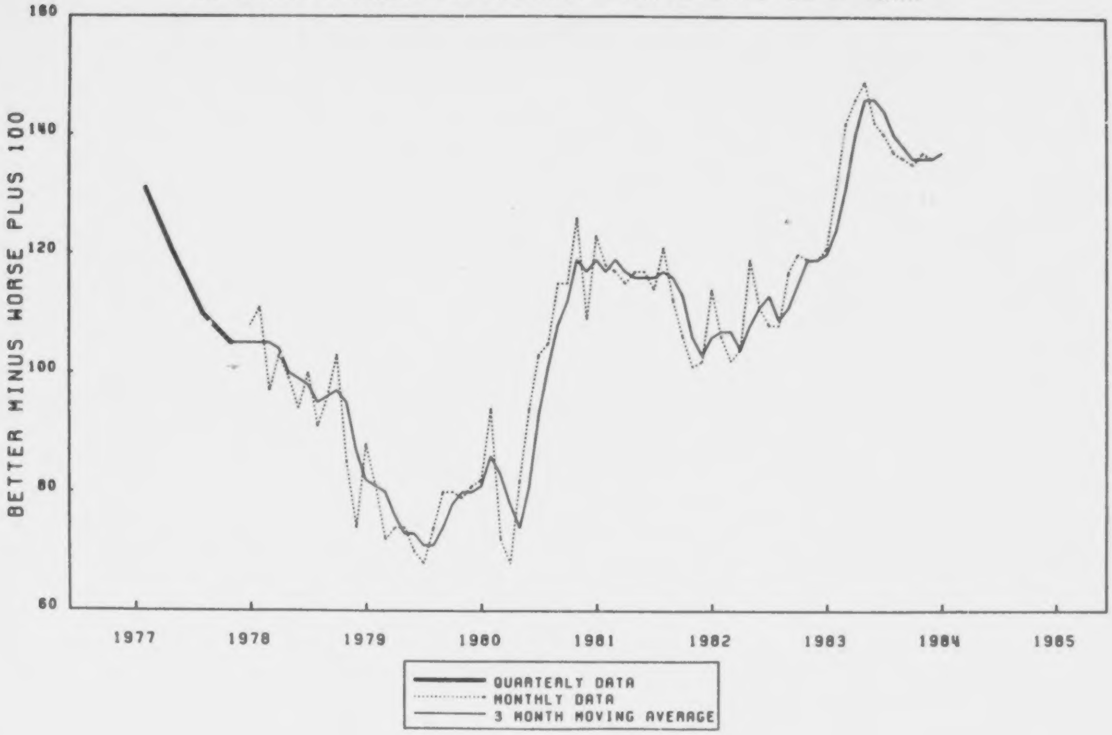
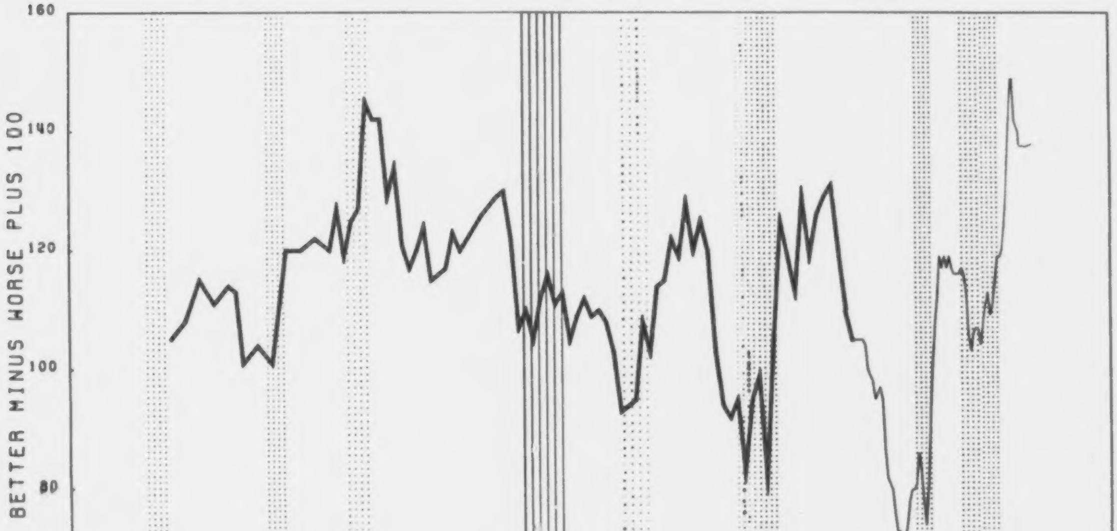


CHART 15 - HISTORICAL SERIES
EXPECTED CHANGE IN BUSINESS CONDITIONS IN A YEAR



## TABLE 15

## EXPECTED CHANGE IN BUSINESS CONDITIONS IN A YEAR

| | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| BETTER | 38% | 45% | 51% | 53% | 55% | 49% | 48% | 47% | 46% | 46% | 46% | 44% | 46% |
| SAME | 43 | 40 | 39 | 38 | 38 | 42 | 42 | 42 | 42 | 41 | 43 | 45 | 43 |
| WORSE | 17 | 14 | 9 | 7 | 6 | 7 | 8 | 10 | 10 | 11 | 9 | 8 | 9 |
| DK,NA | 2 | 1 | 1 | 2 | 1 | 2 | 2 | 1 | 2 | 2 | 2 | 3 | 2 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 682 | 709 | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 |

The question was: "And how about a year from now, do you expect that in the country as a whole business conditions will be better, or worse than they are at present, or just about the same?"

CHART 16A - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUSINESS CONDITIONS IN A YEAR

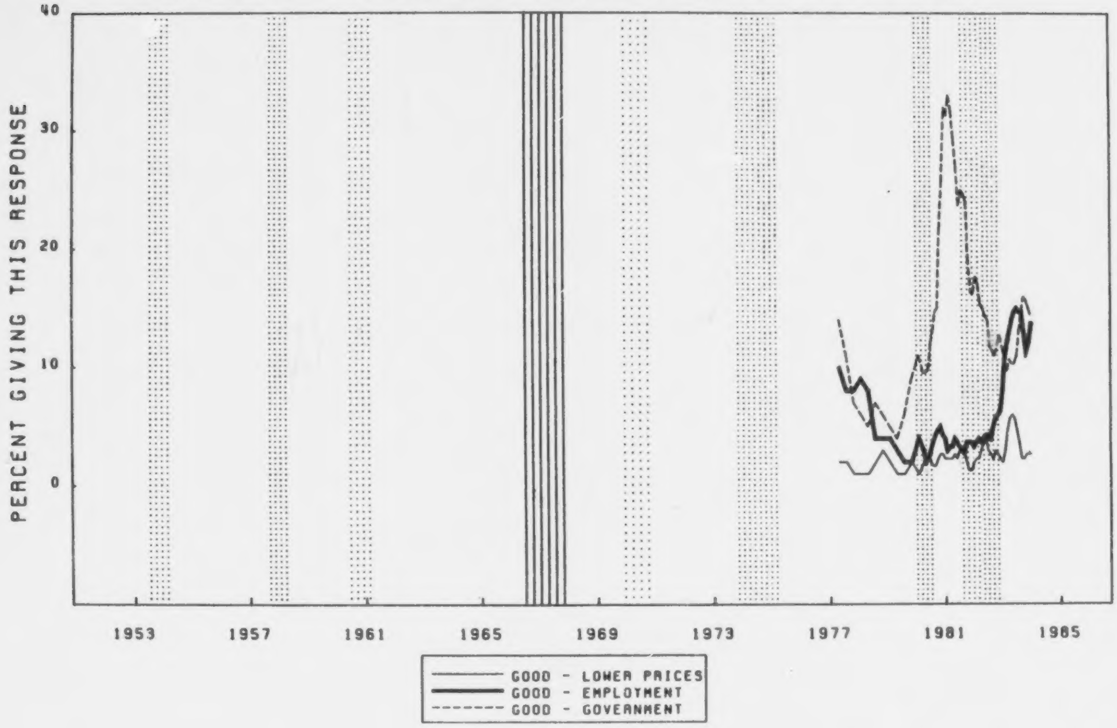
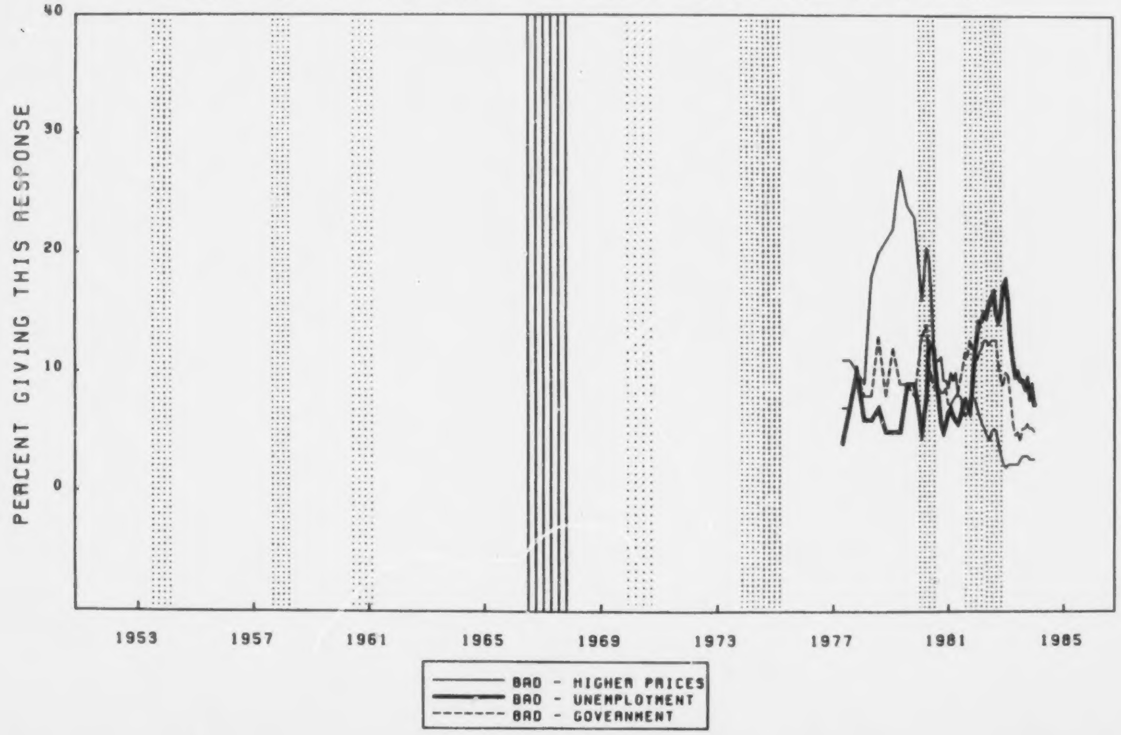


CHART 16B - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUSINESS CONDITIONS IN A YEAR



## TABLE 16

### REASONS FOR OPINIONS ABOUT CHANGES IN BUSINESS CONDITIONS IN A YEAR +

| | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| FAVORABLE REASONS: | | | | | | | | | | | | | |
| Government; elections | 8% | 11% | 10% | 11% | 10% | 10% | 13% | 16% | 15% | 17% | 15% | 13% | 15% |
| Employment | 11 | 13 | 12 | 14 | 16 | 14 | 15 | 15 | 14 | 10 | 10 | 16 | 15 |
| Higher consumer demand | 5 | 7 | 6 | 9 | 10 | 9 | 7 | 6 | 7 | 8 | 8 | 8 | 8 |
| Lower prices | 3 | 4 | 7 | 6 | 5 | 6 | 3 | 2 | 2 | 3 | 2 | 3 | 3 |
| Easier credit | 12 | 12 | 13 | 14 | 12 | 12 | 7 | 6 | 5 | 6 | 4 | 4 | 3 |
| UNFAVORABLE REASONS: | | | | | | | | | | | | | |
| Government; elections | 11 | 7 | 5 | 5 | 4 | 6 | 4 | 6 | 6 | 5 | 5 | 6 | 4 |
| Unemployment | 15 | 13 | 10 | 10 | 9 | 11 | 8 | 9 | 9 | 10 | 8 | 8 | 6 |
| Lower consumer demand | 4 | 4 | 2 | 4 | 2 | 2 | 4 | 3 | 1 | 3 | 2 | 2 | 2 |
| Higher prices | 2 | 3 | 2 | 2 | 3 | 2 | 3 | 4 | 2 | 3 | 3 | 2 | 3 |
| Tighter credit | 2 | 2 | 1 | 2 | 2 | 3 | 4 | 3 | 2 | 2 | 2 | 1 | 2 |
| Energy crisis | * | * | * | * | * | * | * | * | * | * | * | * | * |

The question was: "Why do you expect business conditions to be better/the same/worse a year from now?" following the question on table 15.

+ : May add to more than 100% due to multiple mentions.

* : Less than half of one percent.

CHART 17 - RECENT CHANGES
TREND IN PAST AND EXPECTED BUSINESS CONDITIONS

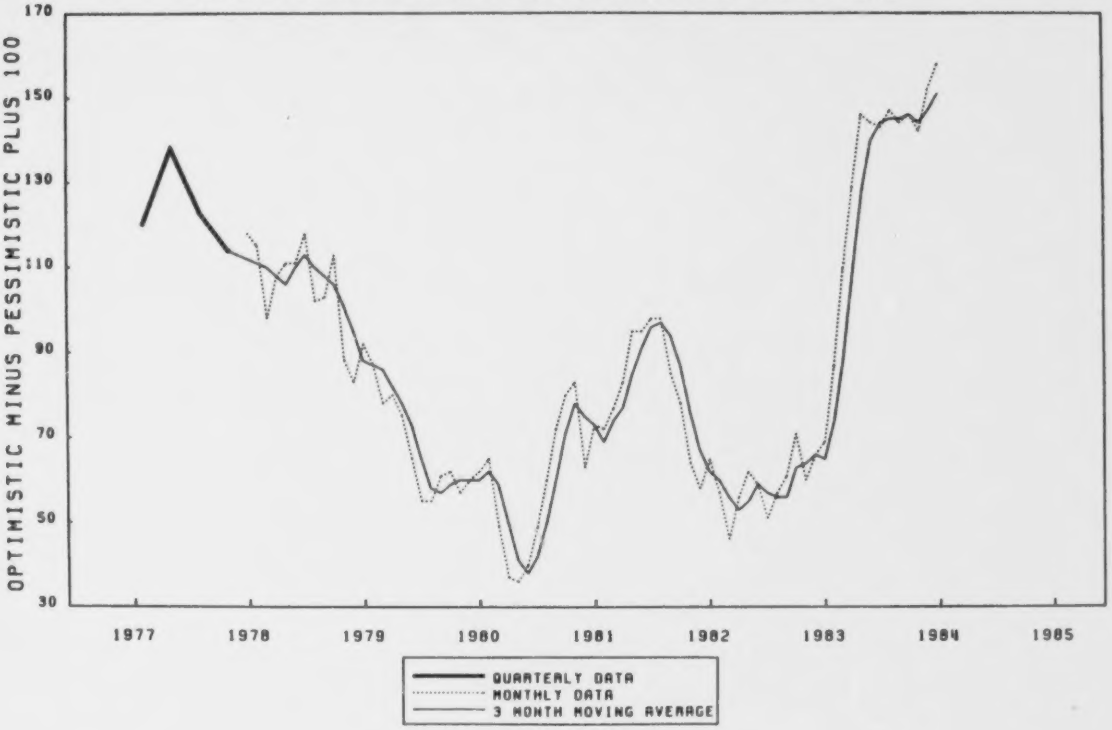
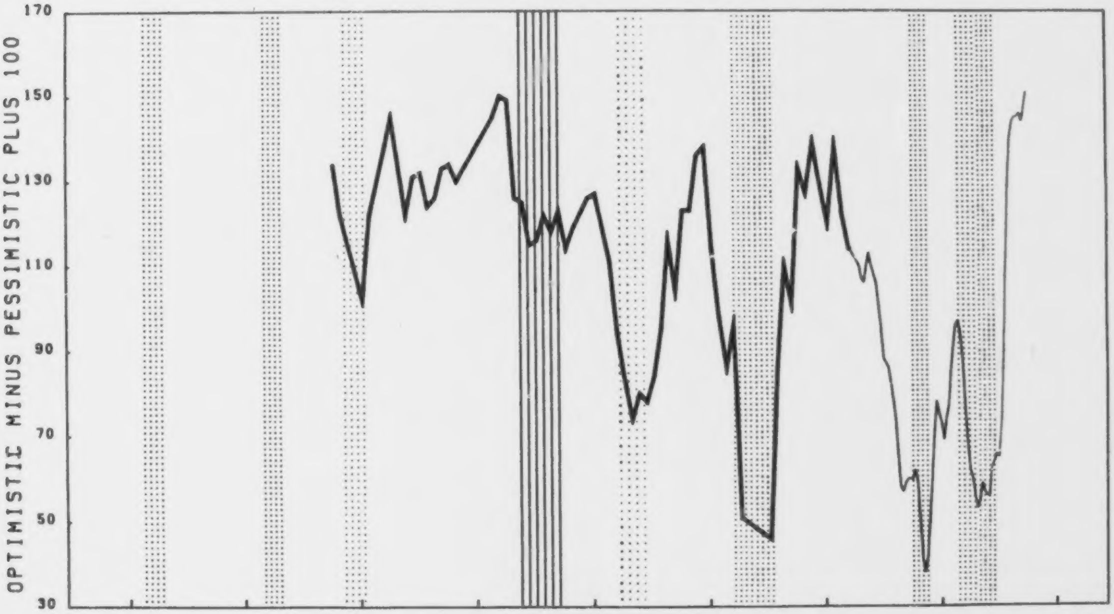


CHART 17 - HISTORICAL SERIES
TREND IN PAST AND EXPECTED BUSINESS CONDITIONS



## TABLE 17

## TREND IN PAST AND EXPECTED CHANGES IN BUSINESS CONDITIONS

| | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| TREND: | | | | | | | | | | | | | |
| Continuous increase (a) | 11% | 18% | 28% | 36% | 42% | 39% | 39% | 38% | 34% | 39% | 36% | 38% | 41% |
| Intermittent increase (b) | 9 | 11 | 15 | 18 | 23 | 26 | 24 | 27 | 28 | 26 | 27 | 30 | 31 |
| Remain unchanged (c) | 3 | 4 | 4 | 5 | 5 | 5 | 5 | 6 | 7 | 5 | 4 | 6 | 4 |
| Intermittent decline (d) | 35 | 29 | 25 | 19 | 14 | 16 | 15 | 12 | 12 | 13 | 17 | 12 | 10 |
| Continuous decline (e) | 16 | 13 | 8 | 6 | 5 | 5 | 5 | 6 | 6 | 6 | 4 | 4 | 4 |
| Mixed change (f) | 24 | 23 | 18 | 14 | 10 | 7 | 9 | 9 | 10 | 7 | 9 | 7 | 7 |
| DK,NA | 2 | 2 | 2 | 2 | 1 | 2 | 3 | 2 | 3 | 4 | 3 | 3 | 3 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 682 | 709 | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 |

Combination of the responses to the questions on Tables 14 and 15.

Key: (a) Better than a year ago/Better a year from now
(b) Better/Same or Same/Better
(c) Same/Same
(d) Worse/Same or Same/Worse
(e) Worse/Worse
(f) Worse/Better or Better/Worse

CHART 18 - RECENT CHANGES
BUSINESS CONDITIONS EXPECTED DURING THE NEXT TWELVE MONTHS

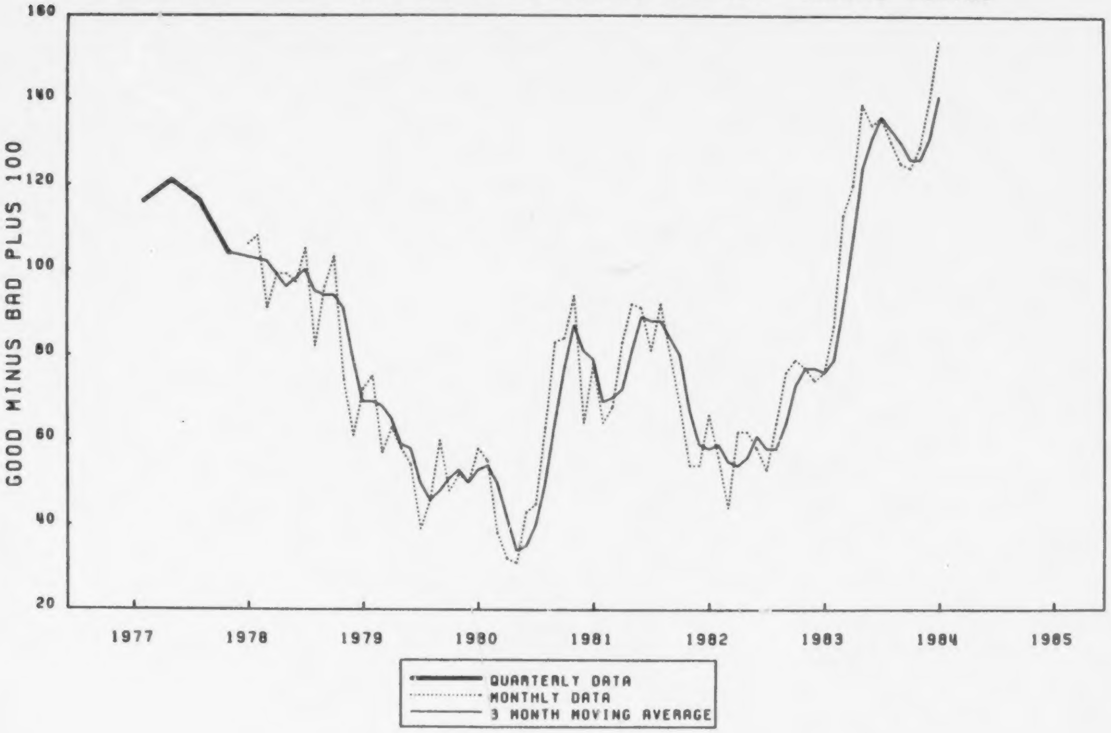
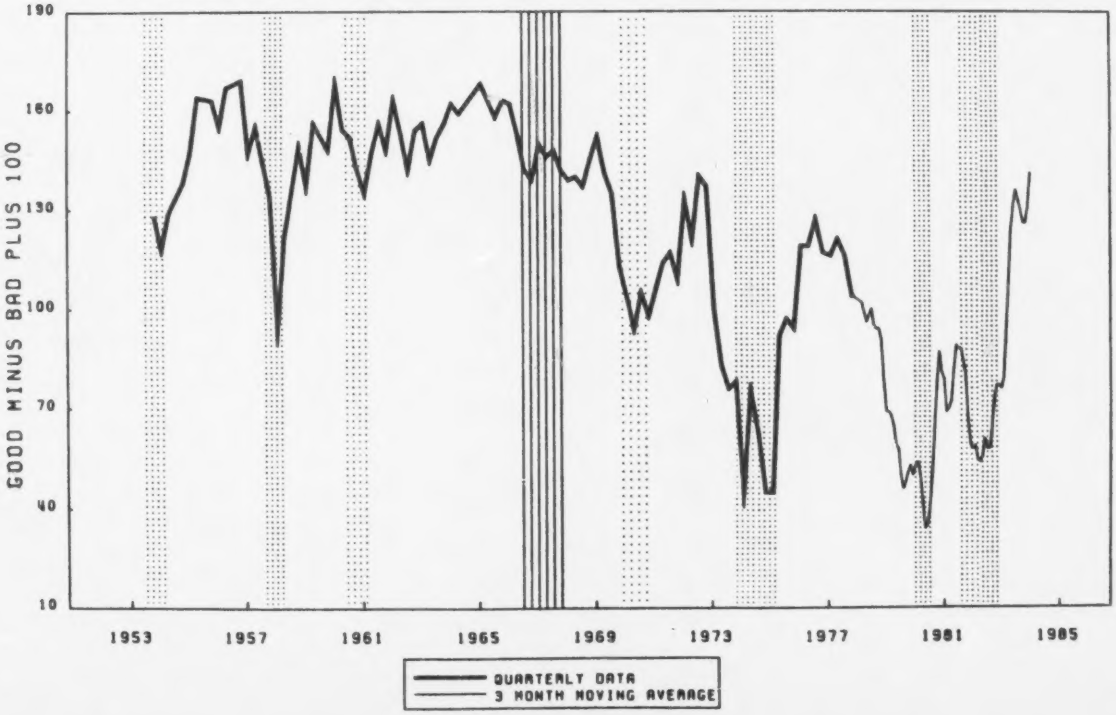


CHART 18 - HISTORICAL SERIES
BUSINESS CONDITIONS EXPECTED DURING THE NEXT TWELVE MONTHS



## TABLE 18

## BUSINESS CONDITIONS EXPECTED DURING THE NEXT 12 MONTHS

| | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| GOOD TIMES | 34% | 39% | 52% | 56% | 65% | 63% | 63% | 60% | 58% | 58% | 59% | 67% | 73% |
| UNCERTAIN; GOOD & BAD | 1 | 1 | 2 | 1 | 2 | 3 | 3 | 3 | 2 | 3 | 3 | 2 | 2 |
| BAD TIMES | 58 | 52 | 39 | 36 | 26 | 29 | 27 | 30 | 33 | 34 | 30 | 27 | 19 |
| DON'T KNOW | 3 | 3 | 4 | 3 | 4 | 3 | 6 | 5 | 5 | 4 | 6 | 3 | 5 |
| NOT ASCERTAINED | 4 | 5 | 3 | 4 | 3 | 2 | 1 | 2 | 2 | 1 | 2 | 1 | 1 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 682 | 709 | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 |

The question was: "Now turning to business conditions in the country as a whole--do you think that during the next 12 months we'll have good times financially, or bad times or what?"

CHART 19 - RECENT CHANGES

BUSINESS CONDITIONS EXPECTED FOR THE NEXT FIVE YEARS

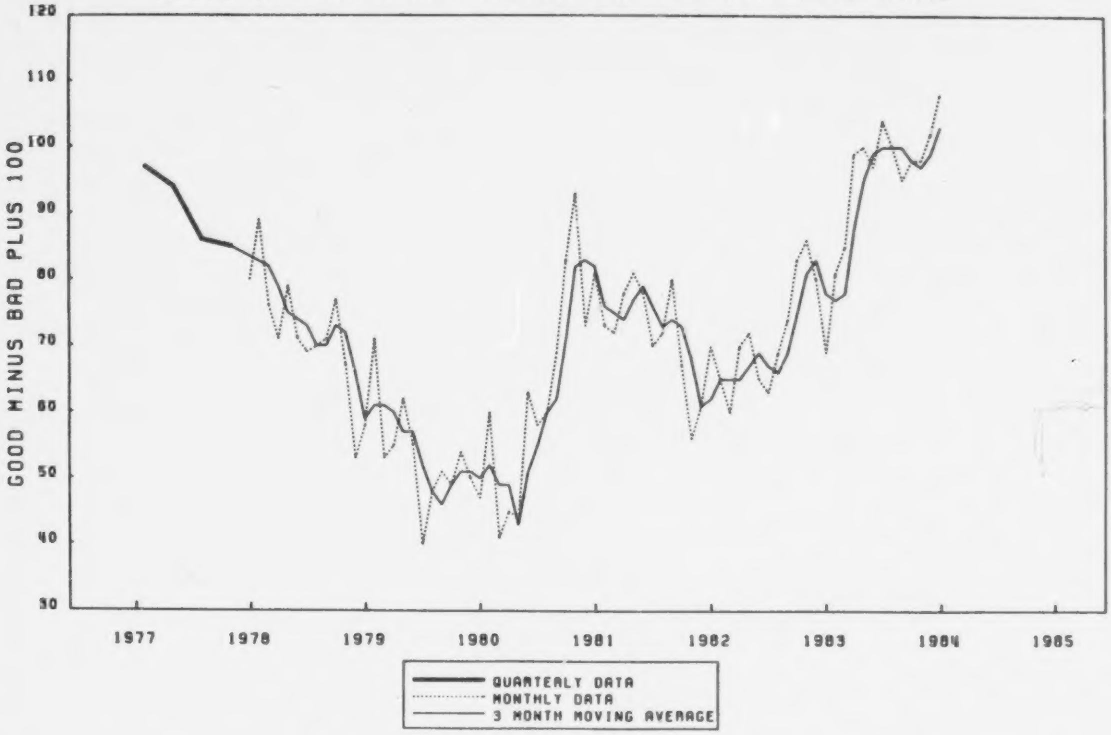
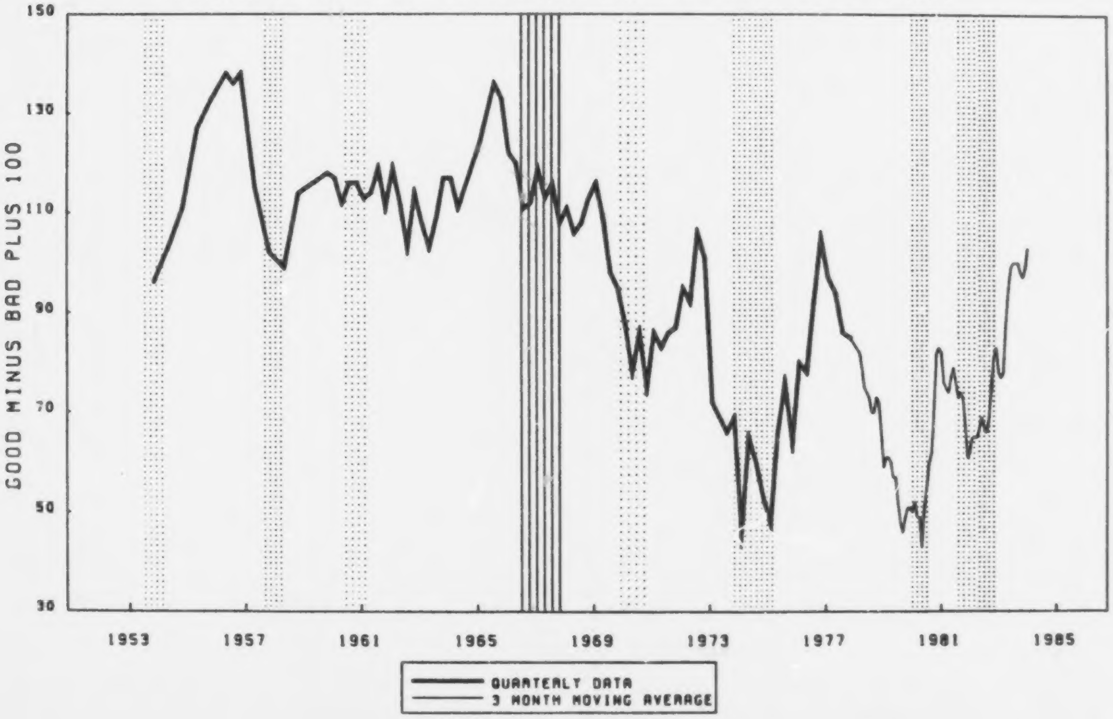


CHART 19 - HISTORICAL SERIES

BUSINESS CONDITIONS EXPECTED FOR THE NEXT FIVE YEARS



## TABLE 19

## BUSINESS CONDITIONS EXPECTED DURING THE NEXT FIVE YEARS

| | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| GOOD TIMES | 26% | 31% | 33% | 38% | 39% | 39% | 39% | 37% | 37% | 39% | 39% | 39% | 44% |
| UNCERTAIN; GOOD & BAD | 12 | 13 | 15 | 18 | 18 | 15 | 20 | 22 | 19 | 17 | 15 | 21 | 17 |
| BAD TIMES | 57 | 50 | 48 | 39 | 39 | 42 | 35 | 37 | 42 | 41 | 41 | 37 | 36 |
| NOT ASCERTAINED | 5 | 6 | 4 | 5 | 4 | 4 | 6 | 4 | 2 | 3 | 5 | 3 | 3 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 682 | 709 | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 |

The question was: "Looking ahead, which would you say is more likely--that in the country as a whole we'll have continuous good times during the ~~next 5~~ years or so, or that we will have periods of widespread unemployment or depression, or what?"

CHART 20 - RECENT CHANGES
EXPECTED CHANGE IN UNEMPLOYMENT

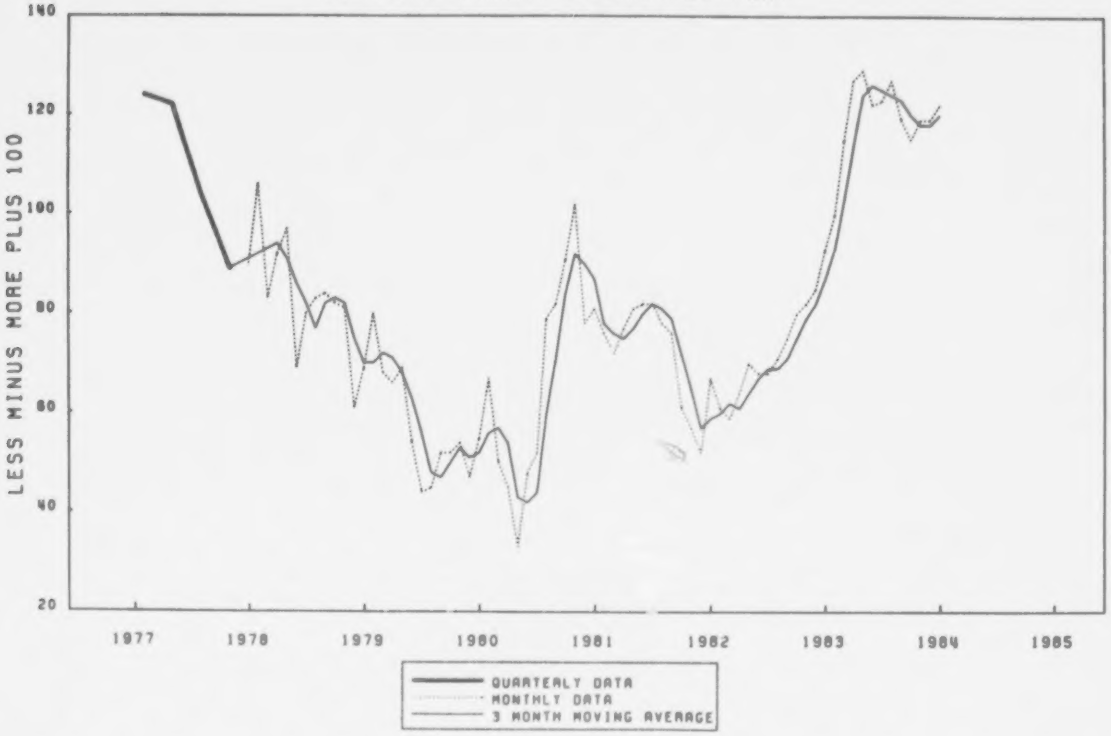
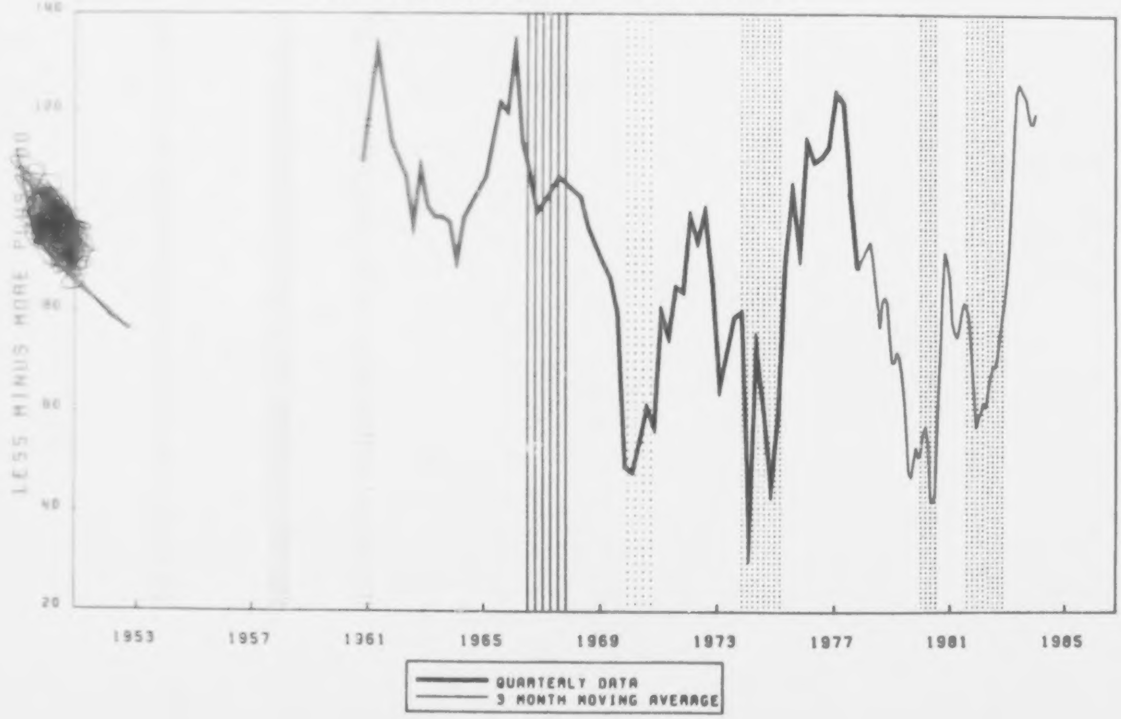


CHART 20 - HISTORICAL SERIES
EXPECTED CHANGE IN UNEMPLOYMENT



## TABLE 20

## EXPECTED CHANGE IN UNEMPLOYMENT

| | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| LESS | 23% | 29% | 36% | 42% | 42% | 37% | 39% | 42% | 36% | 35% | 35% | 36% | 36% |
| SAME | 45 | 41 | 43 | 41 | 44 | 47 | 44 | 40 | 46 | 44 | 47 | 45 | 48 |
| MORE | 30 | 29 | 21 | 15 | 13 | 15 | 16 | 15 | 17 | 20 | 16 | 17 | 14 |
| DK,NA | 2 | 1 | * | 2 | 1 | 1 | 1 | 3 | 1 | 1 | 2 | 2 | 2 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 682 | 709 | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 |

The question was: "How about people out of work during the coming 12 months--do you think that there will be more unemployment than now, about the same, or less?"

* : Less than half of one percent.

CHART 21 - RECENT CHANGES
EXPECTED CHANGE IN INTEREST RATES

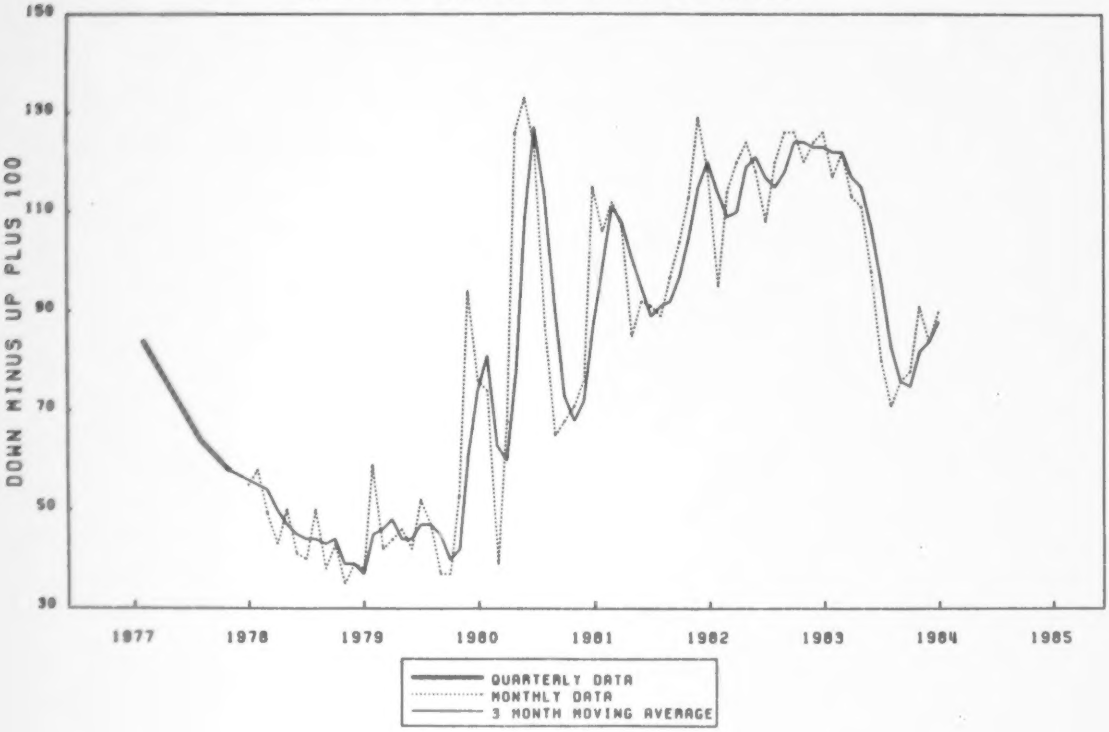
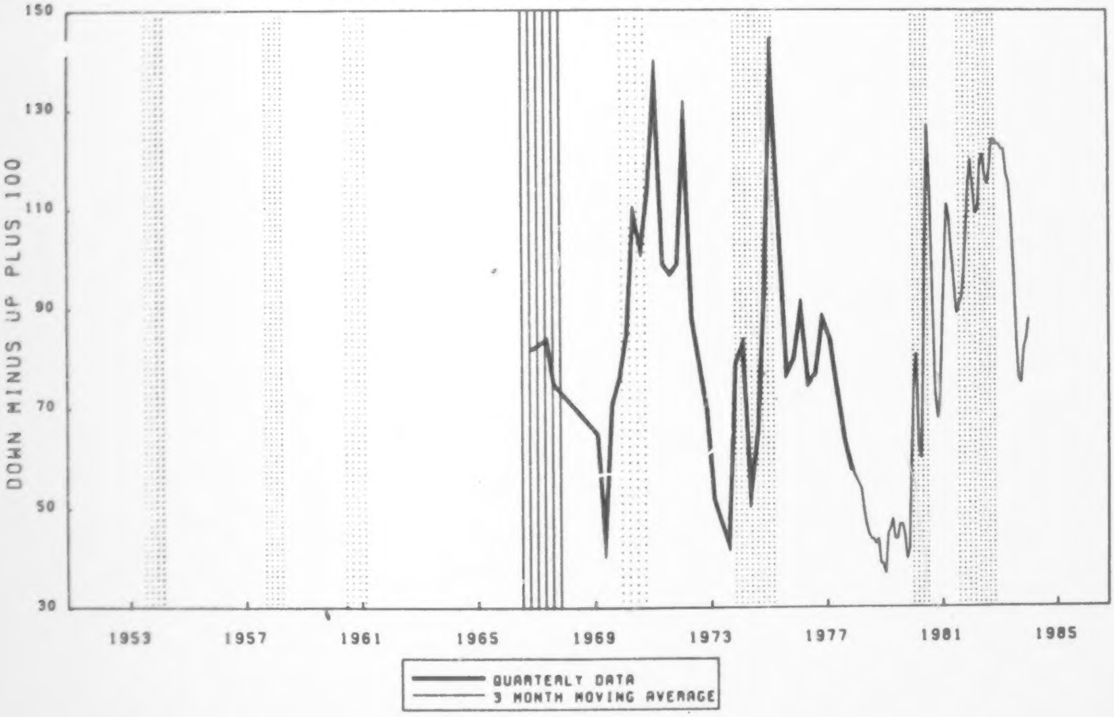


CHART 21 - HISTORICAL SERIES
EXPECTED CHANGE IN INTEREST RATES



## TABLE 21

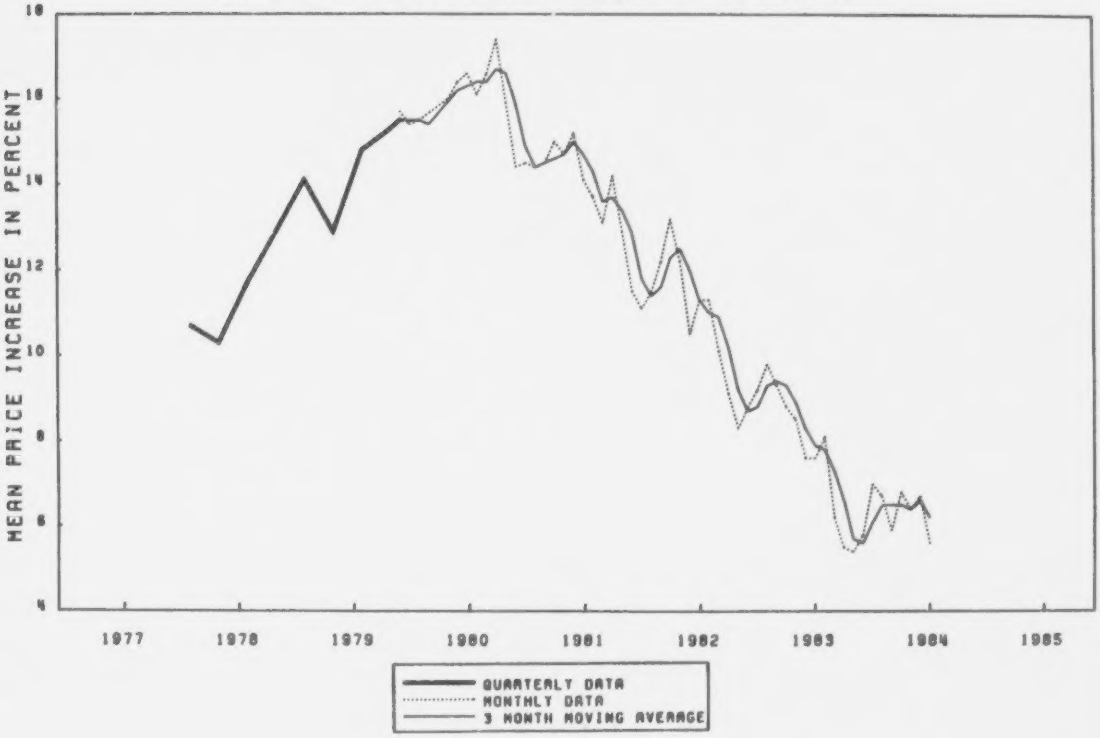
## EXPECTED CHANGE IN INTEREST RATES

| | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| GO UP | 18% | 24% | 19% | 21% | 20% | 29% | 40% | 47% | 44% | 43% | 33% | 37% | 32% |
| STAY THE SAME | 35 | 32 | 38 | 42 | 47 | 42 | 37 | 32 | 33 | 33 | 40 | 37 | 43 |
| GO DOWN | 44 | 41 | 41 | 34 | 31 | 27 | 20 | 18 | 20 | 21 | 24 | 21 | 22 |
| DK,NA | 3 | 3 | 2 | 3 | 2 | 2 | 3 | 3 | 3 | 3 | 3 | 5 | 3 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 682 | 709 | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 |

The question was: "No one can say for sure, but what do you think will happen to interest rates for borrowing money during the next 12 months--will they go up, stay the same, or go down?"

CHART 22 - RECENT CHANGES

CHANGE IN PRICES DURING THE LAST 12 MONTHS



## TABLE 22

## CHANGE IN PRICES DURING THE LAST 12 MONTHS

| | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| SAME OR DOWN | 23% | 24% | 31% | 30% | 31% | 29% | 23% | 25% | 25% | 21% | 24% | 24% | 23% |
| GONE UP BY: | | | | | | | | | | | | | |
| 1-2% | 7 | 5 | 6 | 8 | 9 | 8 | 8 | 8 | 11 | 8 | 9 | 8 | 12 |
| 3-4% | 11 | 10 | 10 | 10 | 13 | 13 | 14 | 14 | 13 | 14 | 13 | 15 | 16 |
| 5% | 17 | 15 | 12 | 17 | 13 | 14 | 13 | 16 | 15 | 16 | 15 | 15 | 17 |
| 6-9% | 9 | 10 | 9 | 9 | 8 | 11 | 11 | 8 | 7 | 11 | 8 | 8 | 8 |
| 10-14% | 15 | 14 | 15 | 11 | 14 | 11 | 13 | 13 | 12 | 14 | 14 | 11 | 9 |
| 15% or more | 12 | 16 | 11 | 9 | 8 | 10 | 11 | 11 | 9 | 11 | 9 | 10 | 7 |
| DK how much up | 5 | 5 | 5 | 5 | 4 | 3 | 6 | 5 | 7 | 4 | 7 | 8 | 7 |
| DK,NA | 1 | 1 | 1 | 1 | * | 1 | 1 | * | 1 | 1 | 1 | 1 | 1 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| MEAN INCREASE | 7.6 | 8.1 | 6.2 | 5.5 | 5.4 | 5.8 | 7.0 | 6.7 | 5.9 | 6.8 | 6.4 | 6.7 | 5.6 |
| VARIANCE | 108 | 113 | 71 | 64 | 61 | 65 | 88 | 93 | 71 | 81 | 76 | 90 | 69 |
| CASES | 682 | 709 | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 |

The questions were: "During the last 12 months, have prices of the things you buy remained unchanged, or have they gone up, or have they gone down?" and "By about what percent do you think prices have gone up,on the average, during the last 12 months?"

* : Less than half of one percent.

CHART 23 - RECENT CHANGES
MEAN EXPECTED PRICE INCREASE OVER THE NEXT 12 MONTHS

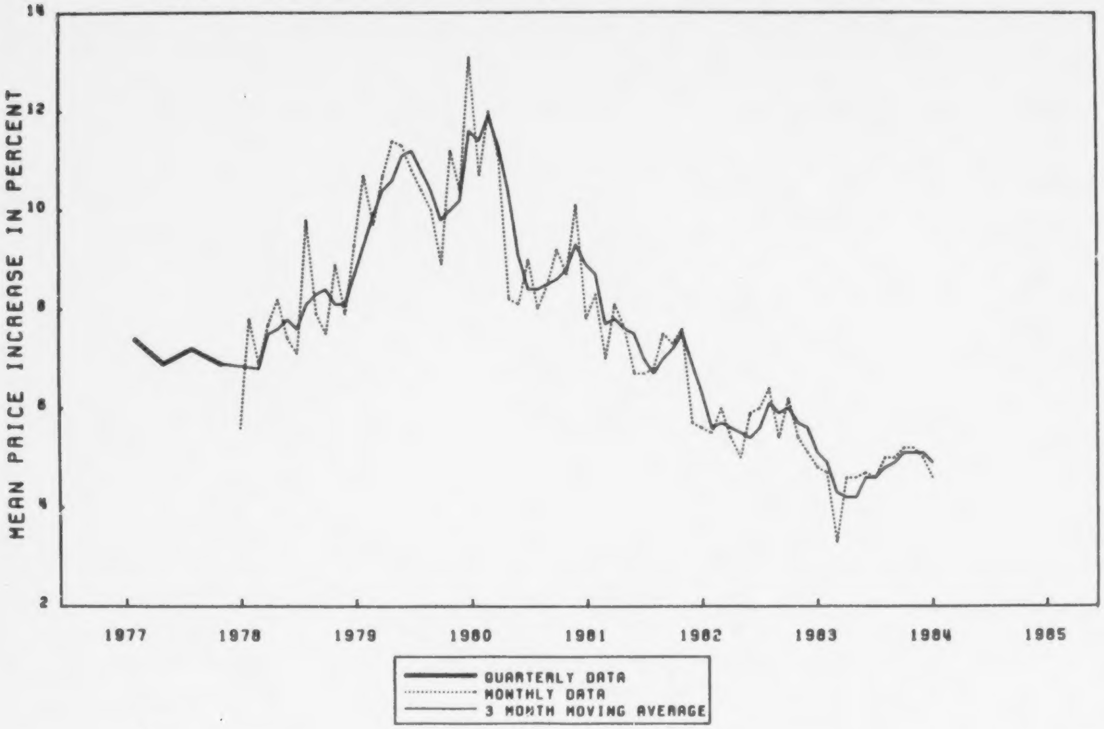
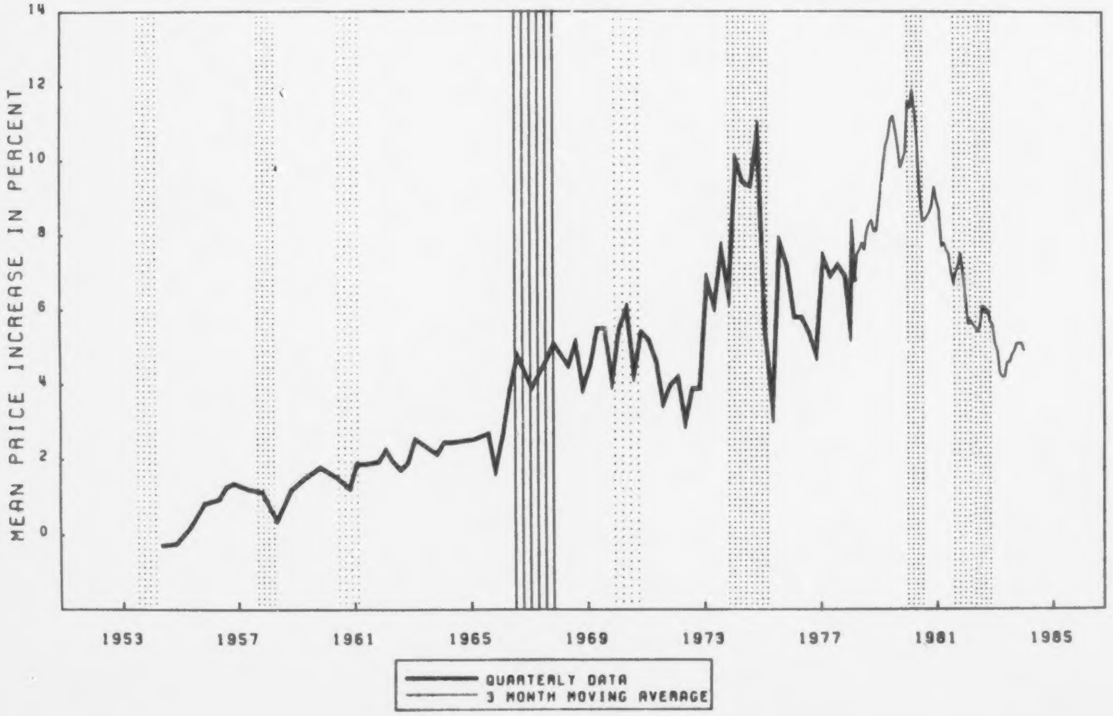


CHART 23 - HISTORICAL SERIES
MEAN EXPECTED PRICE INCREASE OVER THE NEXT 12 MONTHS



## TABLE 23

## EXPECTED CHANGE IN PRICES DURING THE NEXT 12 MONTHS

| | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| SAME OR DOWN | 35% | 36% | 44% | 30% | 32% | 33% | 29% | 23% | 28% | 24% | 25% | 23% | 25% |
| WILL GO UP BY: | | | | | | | | | | | | | |
| 1-2% | 10 | 8 | 9 | 10 | 9 | 8 | 12 | 14 | 13 | 12 | 12 | 12 | 13 |
| 3-4% | 11 | 12 | 12 | 13 | 13 | 15 | 15 | 16 | 14 | 15 | 14 | 15 | 20 |
| 5% | 16 | 15 | 14 | 17 | 17 | 16 | 15 | 16 | 16 | 15 | 16 | 17 | 13 |
| 6-9% | 7 | 9 | 5 | 10 | 10 | 9 | 9 | 9 | 7 | 10 | 9 | 8 | 9 |
| 10-14% | 9 | 8 | 8 | 9 | 10 | 9 | 9 | 9 | 10 | 11 | 11 | 11 | 10 |
| 15% or more | 7 | 7 | 4 | 5 | 5 | 6 | 6 | 6 | 7 | 8 | 6 | 5 | 4 |
| DK how much up | 3 | 3 | 3 | 4 | 3 | 3 | 3 | 5 | 4 | 4 | 5 | 7 | 4 |
| DK,NA | 2 | 2 | 1 | 2 | 1 | 1 | 2 | 2 | 1 | 1 | 2 | 2 | 2 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| MEAN INCREASE | 4.8 | 4.7 | 3.3 | 4.6 | 4.6 | 4.7 | 4.6 | 5.0 | 5.0 | 5.2 | 5.2 | 5.0 | 4.6 |
| VARIANCE | 67 | 60 | 33 | 45 | 49 | 54 | 44 | 47 | 51 | 36 | 54 | 44 | 40 |
| CASES | 682 | 709 | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 |

The questions were: "During the next 12 months, do you think that prices in general will go up, or go down, or stay where they are now?" and "By about what percent do you expect prices to go up, on the average, during the next 12 months?"

CHART 24 - RECENT CHANGES
UNEMPLOYMENT OR INFLATION MORE SERIOUS

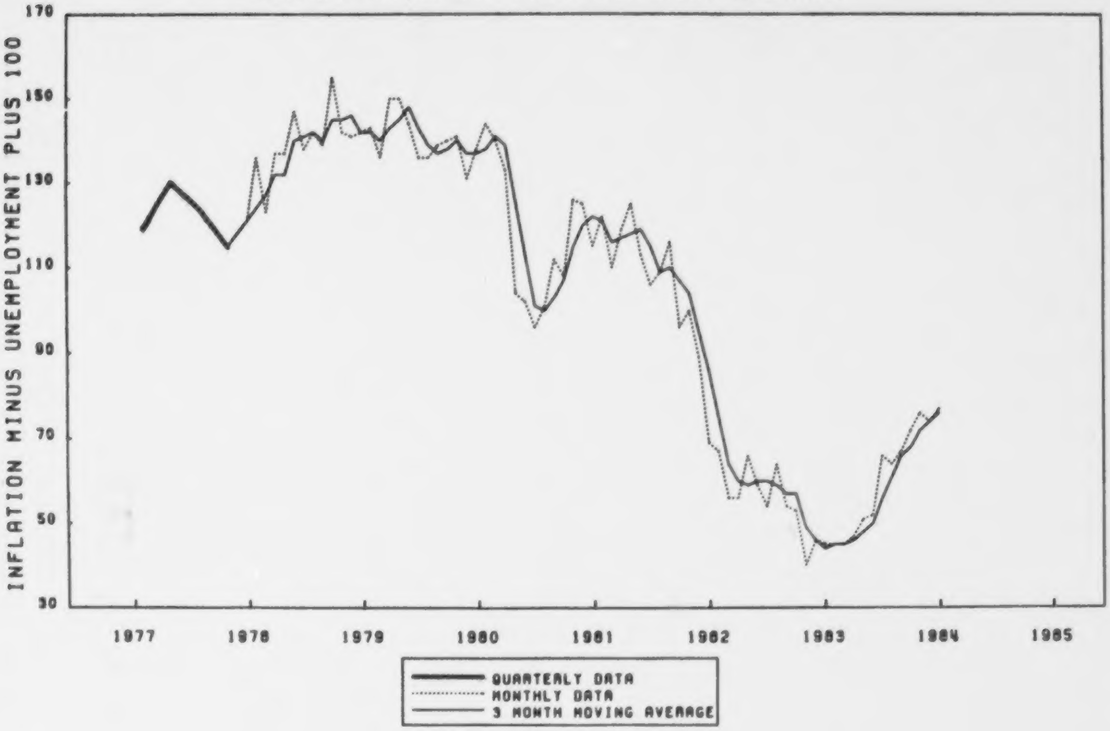
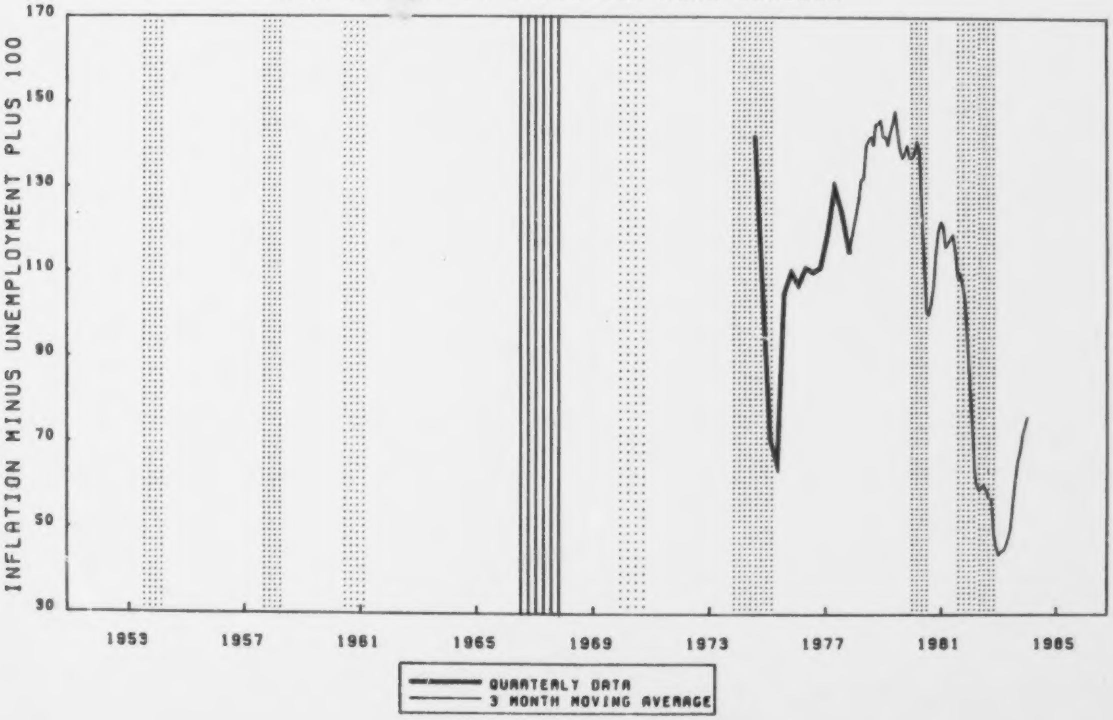


CHART 24 - HISTORICAL SERIES
UNEMPLOYMENT OR INFLATION MORE SERIOUS



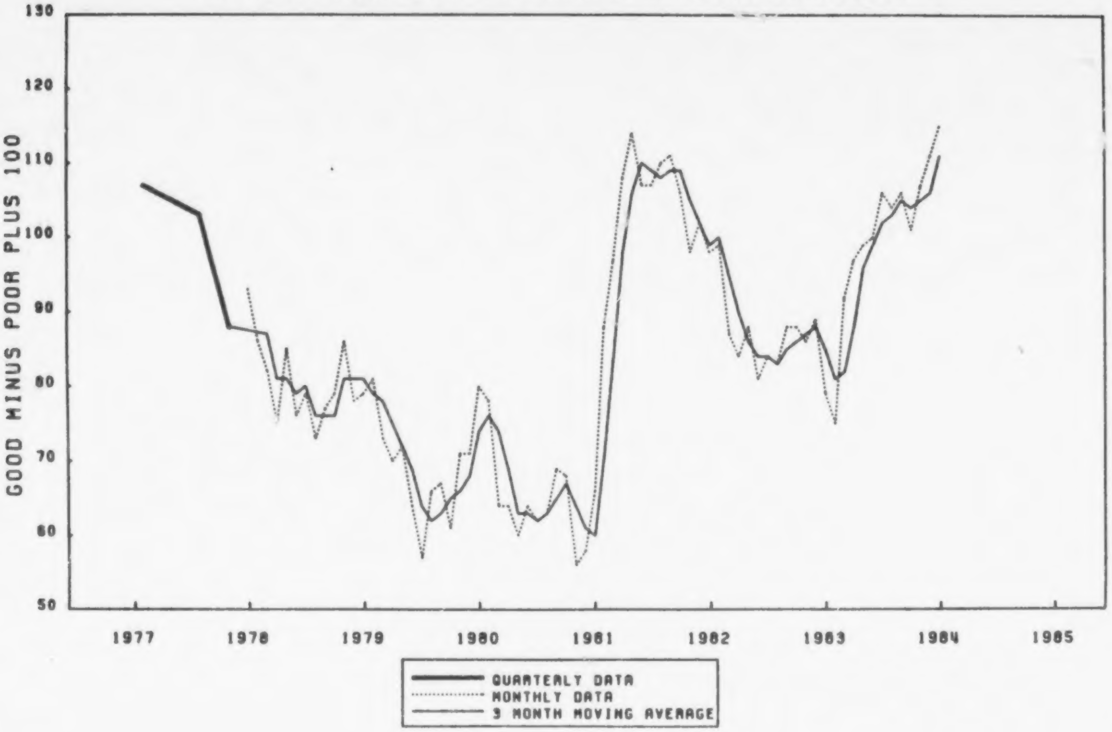
## TABLE 24

## UNEMPLOYMENT OR INFLATION MORE SERIOUS ECONOMIC HARDSHIP

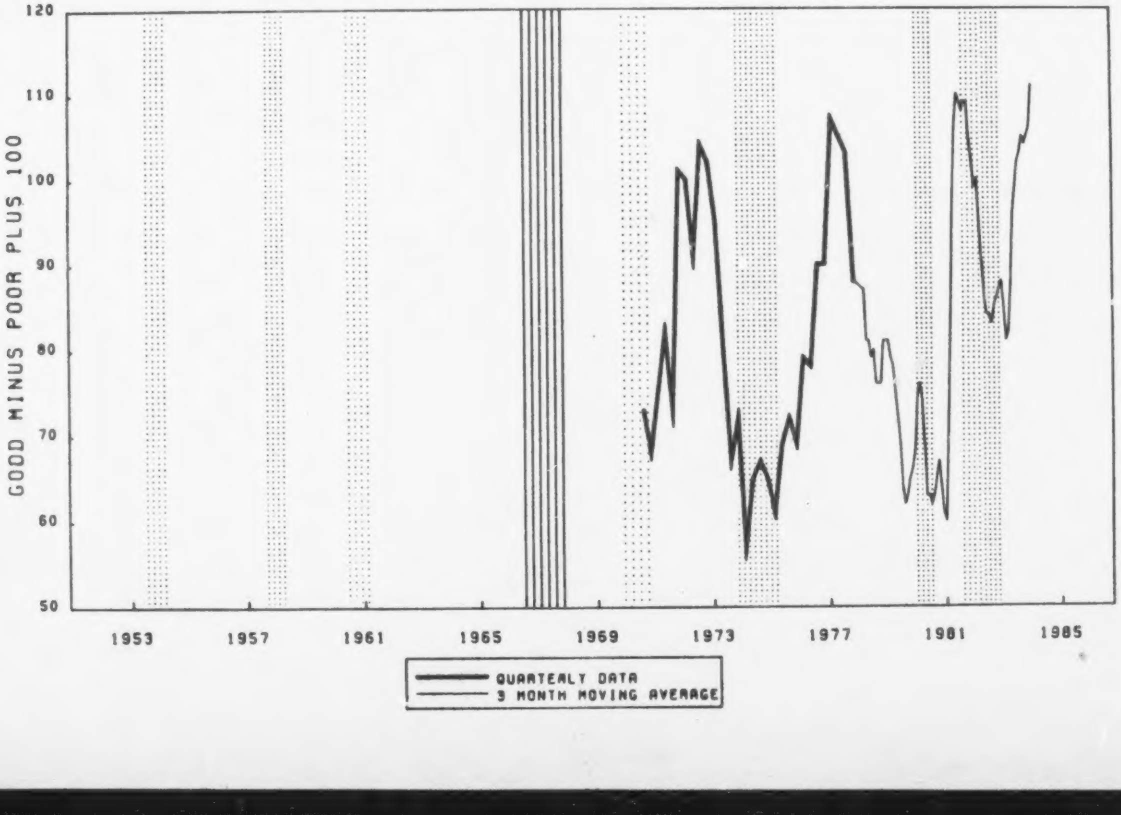
| | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| UNEMPLOYMENT | 74% | 73% | 73% | 73% | 71% | 70% | 63% | 65% | 62% | 61% | 57% | 59% | 58% |
| BOTH EQUALLY SERIOUS | 5 | 8 | 8 | 6 | 6 | 7 | 6 | 5 | 8 | 5 | 7 | 6 | 4 |
| INFLATION | 19 | 18 | 18 | 20 | 22 | 22 | 29 | 29 | 29 | 33 | 33 | 33 | 35 |
| DK,NA | 2 | 1 | 1 | 1 | 1 | 1 | 2 | 1 | 1 | 1 | 3 | 2 | 3 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 682 | 709 | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 |

The question was: "Which of the two problems--unemployment or inflation--do you think will cause the more serious economic hardship for people during the next year or so?"

## CHART 25 - RECENT CHANGES
## OPINIONS ABOUT THE GOVERNMENT'S ECONOMIC POLICY



## CHART 25 - HISTORICAL SERIES
## OPINIONS ABOUT THE GOVERNMENT'S ECONOMIC POLICY



## TABLE 25

## OPINIONS ABOUT THE GOVERNMENT'S ECONOMIC POLICY

| | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| A GOOD JOB | 16% | 16% | 21% | 21% | 20% | 23% | 27% | 27% | 27% | 25% | 27% | 29% | 31% |
| ONLY FAIR | 45 | 40 | 48 | 53 | 57 | 52 | 51 | 48 | 50 | 50 | 49 | 51 | 52 |
| A POOR JOB | 37 | 41 | 29 | 24 | 21 | 23 | 21 | 23 | 21 | 24 | 20 | 18 | 16 |
| DK,NA | 2 | 3 | 2 | 2 | 2 | 2 | 1 | 2 | 2 | 1 | 4 | 2 | 1 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 682 | 709 | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 |

The question was: "As to the economic policy of the government--I mean steps taken to fight inflation or unemployment--would you say the government is doing a good job, only fair, or a poor job?"

CHART 26 - RECENT CHANGES
BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS

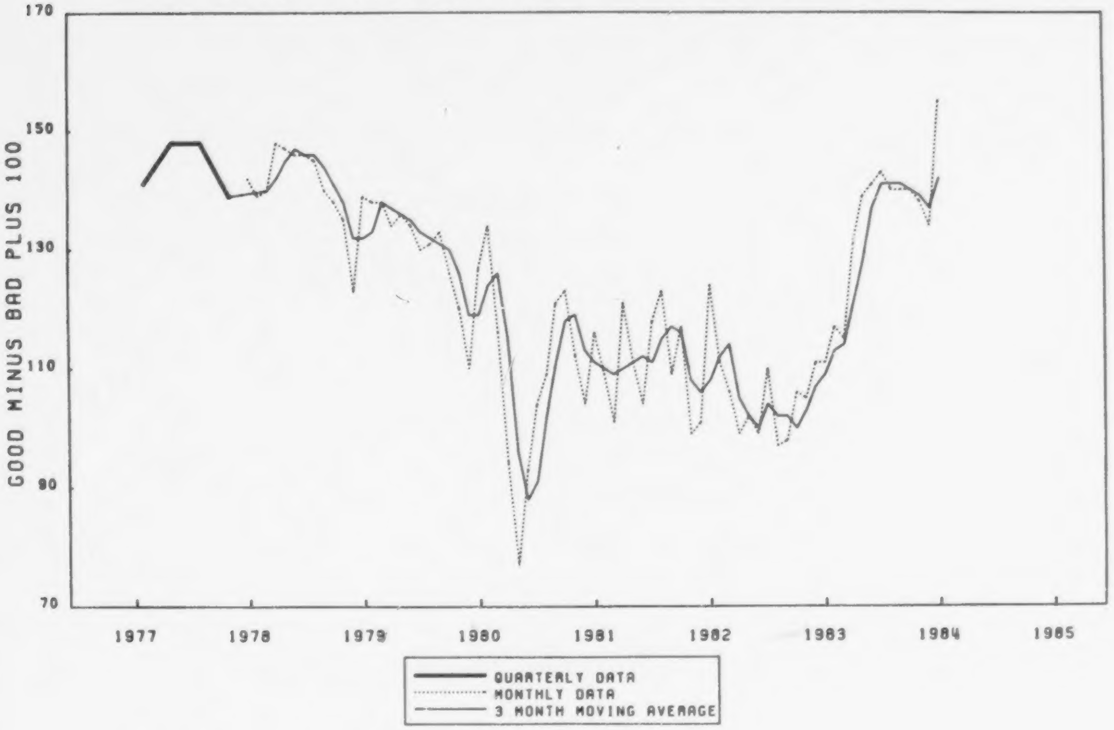
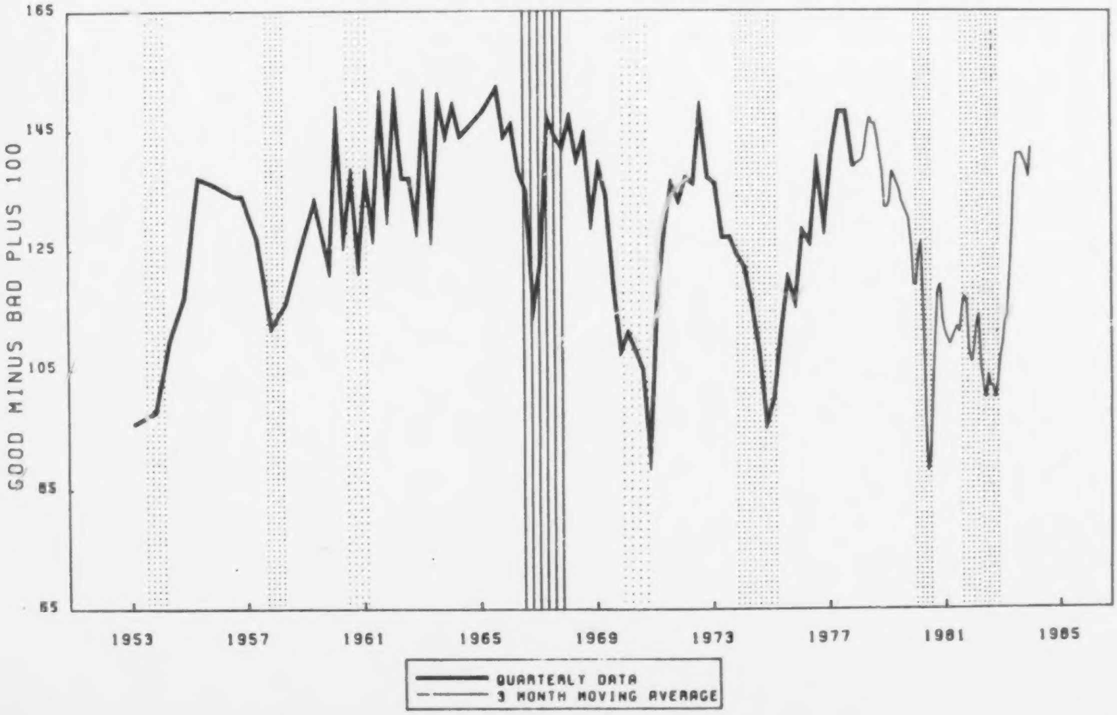


CHART 26 - HISTORICAL SERIES
BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS



## TABLE 26

## BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS

| | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| GOOD TIME TO BUY | 51% | 54% | 53% | 61% | 67% | 66% | 67% | 64% | 66% | 65% | 64% | 61% | 73% |
| UNCERTAIN, DEPENDS | 9 | 9 | 9 | 9 | 5 | 9 | 9 | 12 | 8 | 10 | 10 | 12 | 9 |
| BAD TIME TO BUY | 40 | 37 | 38 | 30 | 28 | 25 | 24 | 24 | 26 | 25 | 26 | 27 | 18 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 682 | 709 | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 |

The question was: "About the big things people buy for their homes--such as furniture, a refrigerator, stove, television, and things like that. Generally speaking, do you think now is a good or a bad time for people to buy major household items?"

CHART 27A - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR DURABLES

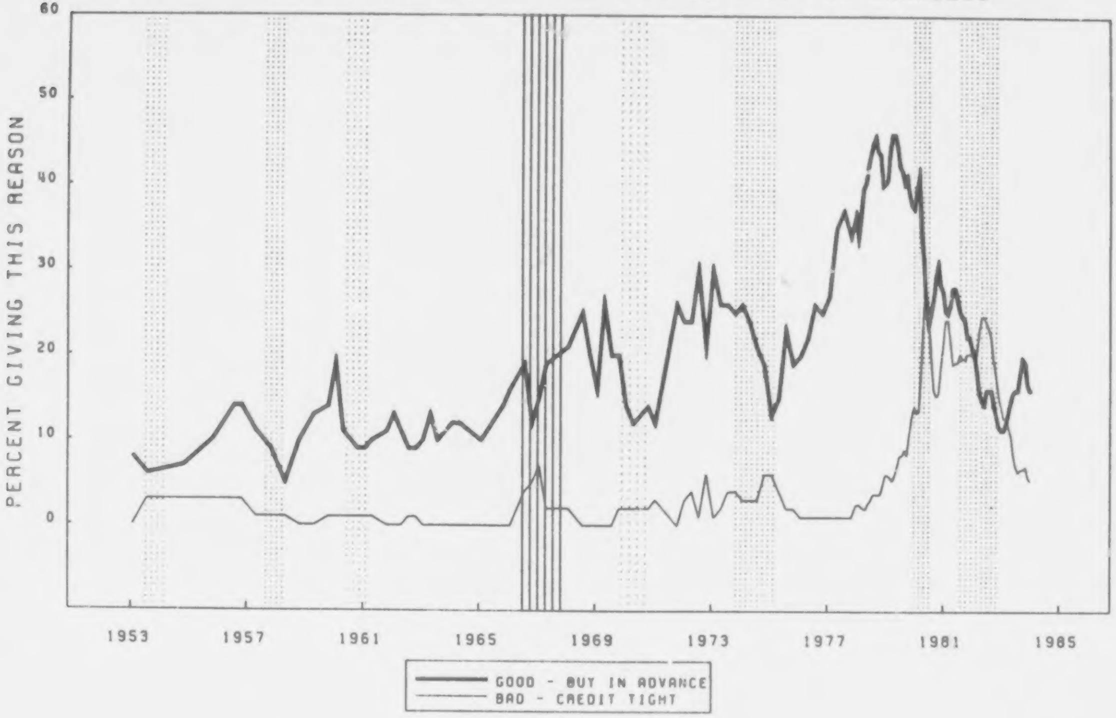
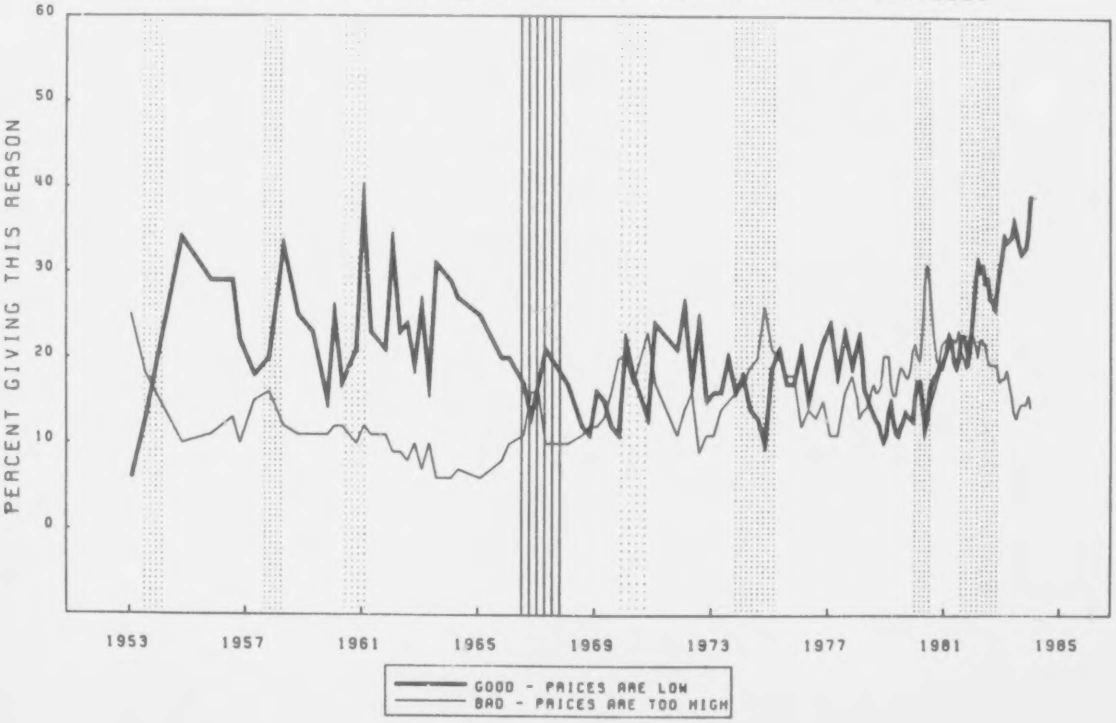


CHART 27B - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR DURABLES



## TABLE 27

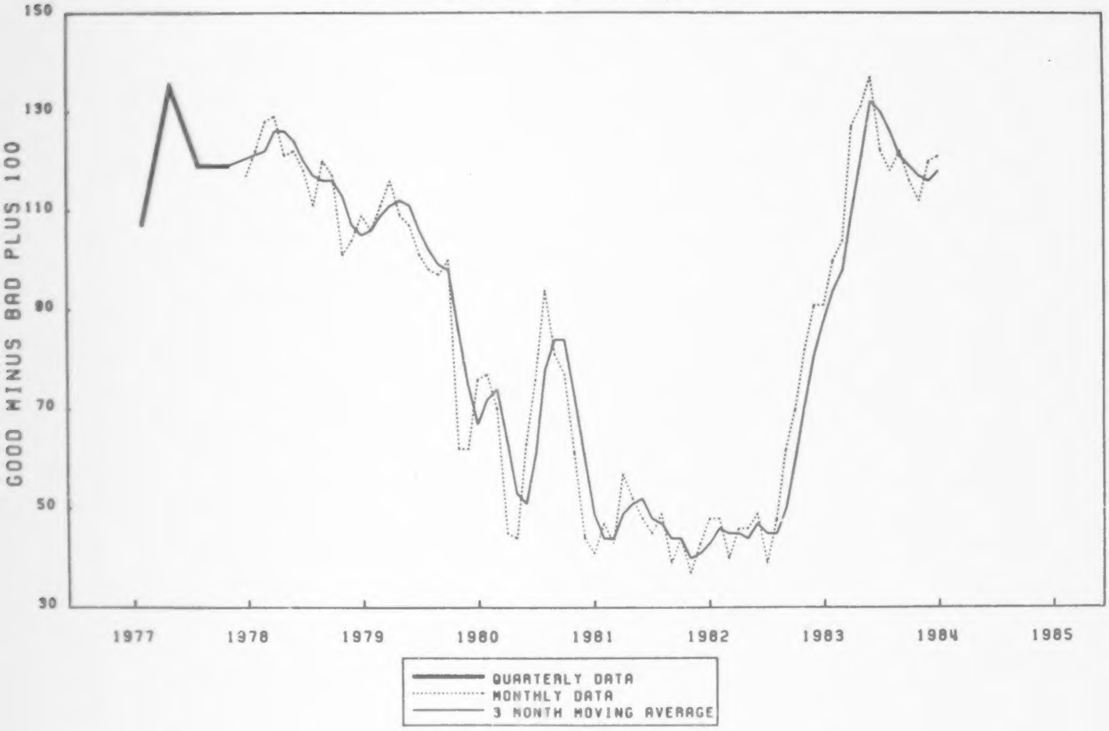
### SELECTED REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS +

| | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| GOOD TIME TO BUY: | | | | | | | | | | | | | |
| Prices are low; good buys available | 33% | 38% | 30% | 36% | 37% | 35% | 32% | 33% | 32% | 33% | 34% | 38% | 45% |
| Prices won't come down; are going higher | 13 | 11 | 12 | 15 | 17 | 15 | 16 | 17 | 21 | 21 | 16 | 13 | 19 |
| Interest rates low; credit is easy | 7 | 8 | 12 | 14 | 13 | 16 | 13 | 12 | 12 | 7 | 8 | 7 | 9 |
| BAD TIME TO BUY: | | | | | | | | | | | | | |
| Prices are high | 19 | 18 | 19 | 16 | 12 | 13 | 14 | 15 | 15 | 14 | 15 | 18 | 10 |
| Interest rates are high; credit is tight | 12 | 13 | 13 | 11 | 8 | 6 | 7 | 6 | 7 | 7 | 7 | 3 | 6 |
| Lack of purchasing power | 22 | 16 | 18 | 15 | 16 | 12 | 9 | 11 | 11 | 12 | 8 | 10 | 7 |

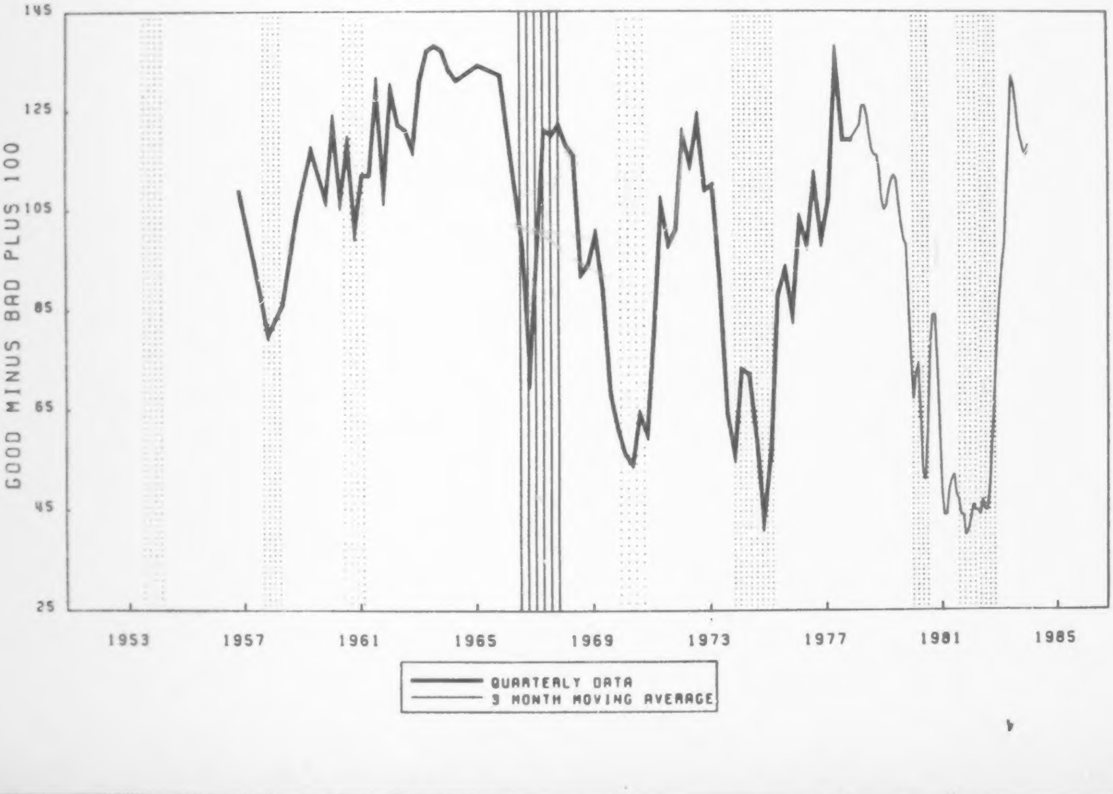
Responses to the query: "Why do you say so?" following the question on Table 26.

+ : May add to more than 100% due to multiple mentions.

## CHART 28 - RECENT CHANGES
## BUYING CONDITIONS FOR HOUSES



## CHART 28 - HISTORICAL SERIES
## BUYING CONDITIONS FOR HOUSES



## TABLE 28

## BUYING CONDITIONS FOR HOUSES

| | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| GOOD TIME TO BUY | 44% | 49% | 51% | 61% | 64% | 66% | 59% | 57% | 59% | 55% | 53% | 57% | 59% |
| UNCERTAIN, DEPENDS | 3 | 2 | 2 | 5 | 3 | 5 | 4 | 4 | 4 | 6 | 6 | 6 | 3 |
| BAD TIME TO BUY | 53 | 49 | 47 | 34 | 33 | 29 | 37 | 39 | 37 | 39 | 41 | 37 | 38 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 682 | 709 | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 |

The question was: "Generally speaking, do you think now is a good time or a bad time to buy a house?"

CHART 29A - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR HOUSES

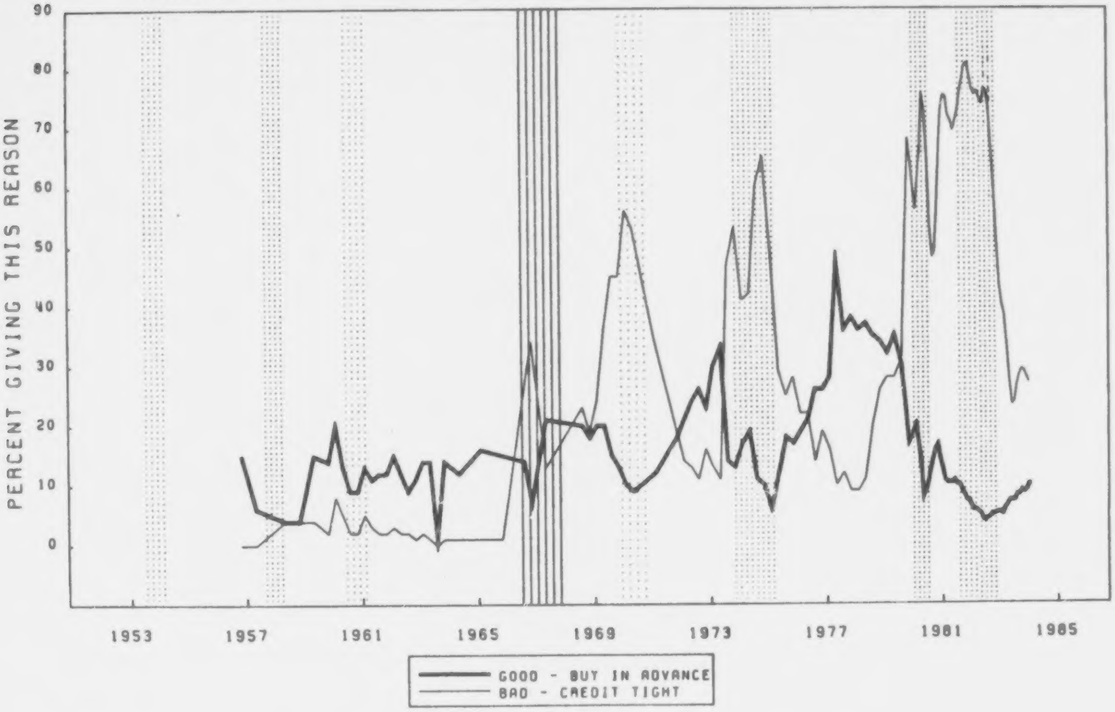
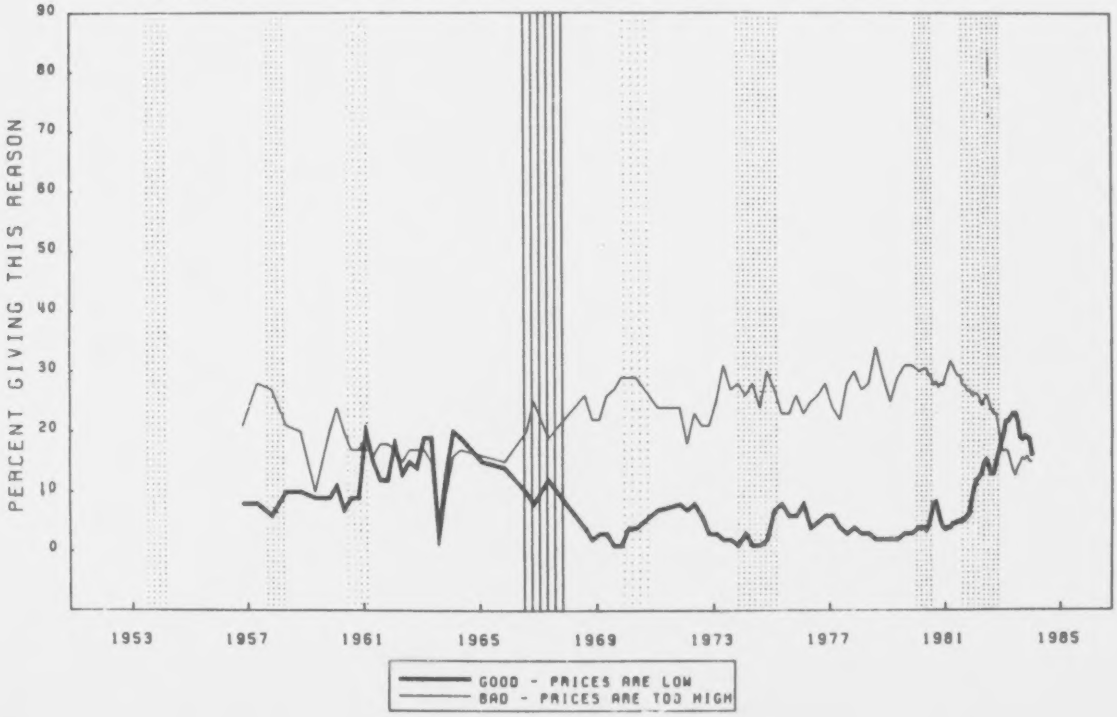


CHART 29B - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR HOUSES



## TABLE 29

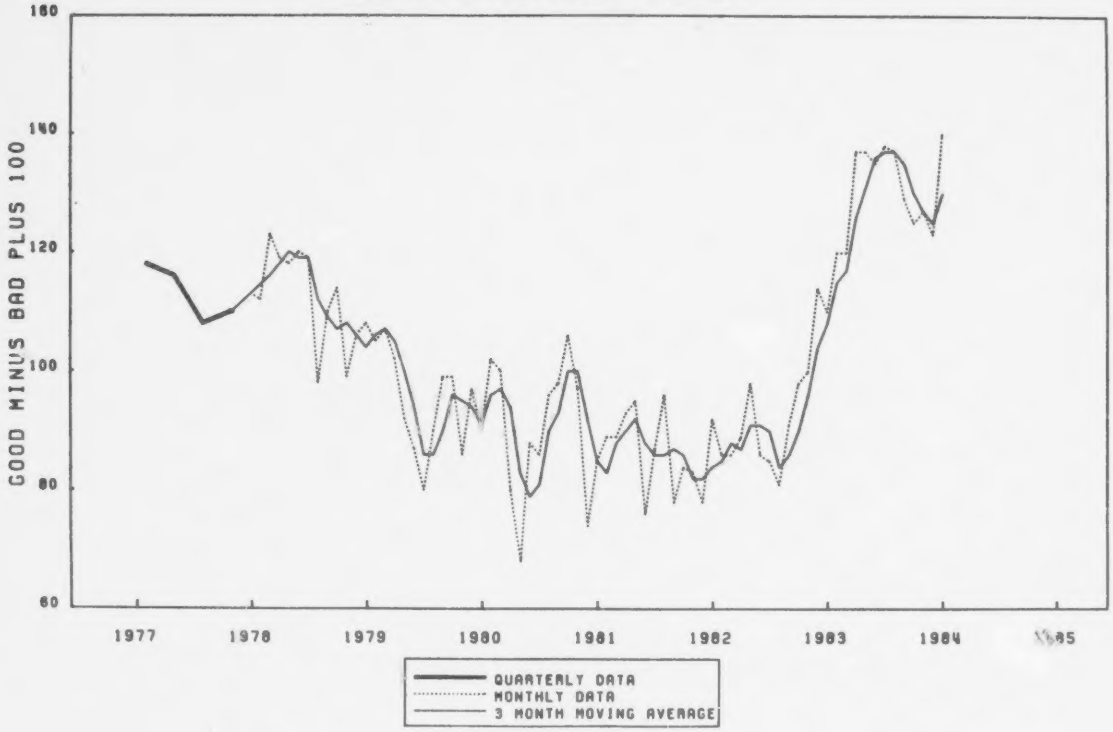
## SELECTED REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR HOUSES +

| | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| GOOD TIME TO BUY: | | | | | | | | | | | | | |
| Prices are low; good buys available | 21% | 24% | 20% | 24% | 25% | 20% | 20% | 17% | 19% | 22% | 16% | 18% | 15% |
| Prices won't come down; are going higher | 5 | 5 | 8 | 7 | 7 | 8 | 7 | 10 | 8 | 9 | 9 | 9 | 12 |
| Interest rates low; credit is easy | 37 | 40 | 44 | 54 | 57 | 61 | 49 | 44 | 47 | 38 | 40 | 41 | 41 |
| Good investment | 4 | 4 | 3 | 5 | 4 | 7 | 5 | 8 | 6 | 8 | 5 | 6 | 8 |
| BAD TIME TO BUY: | | | | | | | | | | | | | |
| Prices are high | 17 | 17 | 16 | 13 | 12 | 13 | 17 | 14 | 16 | 16 | 16 | 13 | 16 |
| Interest rates are high; credit is tight | 41 | 39 | 35 | 24 | 23 | 23 | 26 | 31 | 28 | 29 | 30 | 25 | 26 |
| Lack of purchasing power | 24 | 20 | 21 | 14 | 16 | 11 | 12 | 14 | 14 | 15 | 16 | 13 | 12 |

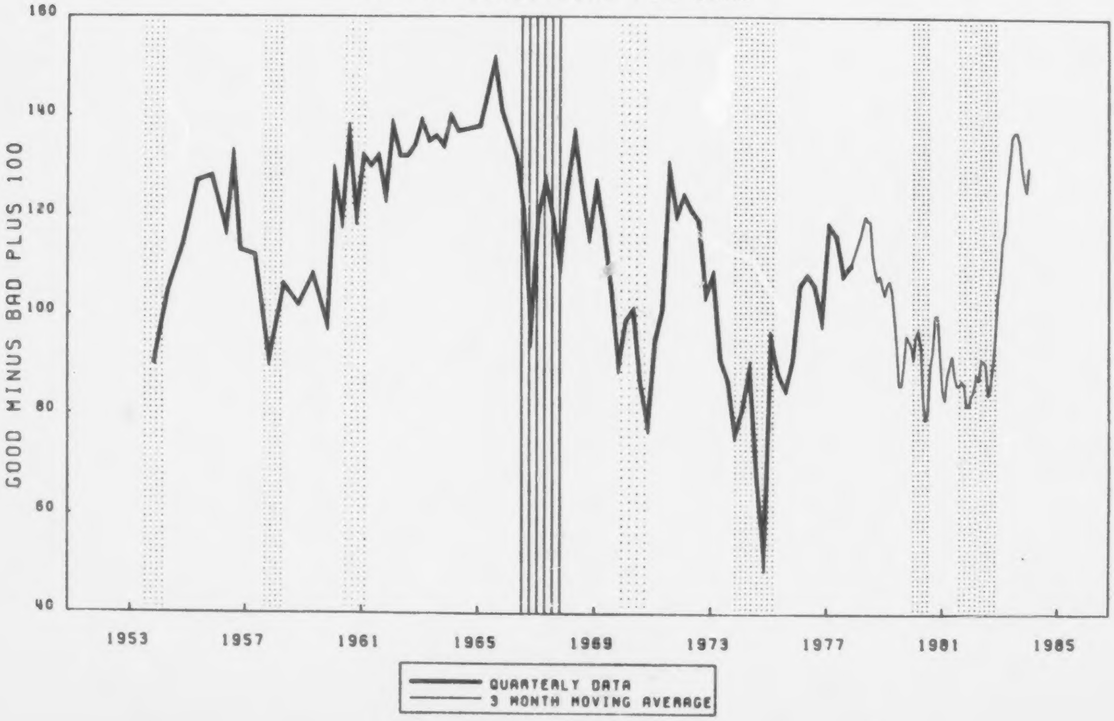
Responses to the query: "Why do you say so?" following the question on Table 28.

+ : May add to more than 100% due to multiple mentions.

## CHART 30 - RECENT CHANGES
## BUYING CONDITIONS FOR CARS



## CHART 30 - HISTORICAL SERIES
## BUYING CONDITIONS FOR CARS



## TABLE 30

## BUYING CONDITIONS FOR CARS

| | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| GOOD TIME TO BUY | 51% | 57% | 56% | 66% | 66% | 63% | 65% | 65% | 61% | 59% | 59% | 56% | 64% |
| UNCERTAIN; DEPENDS | 8 | 6 | 8 | 5 | 5 | 9 | 8 | 7 | 7 | 7 | 9 | 11 | 12 |
| BAD TIME TO BUY | 41 | 37 | 36 | 29 | 29 | 28 | 27 | 28 | 32 | 34 | 32 | 33 | 24 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 682 | 709 | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 |

The question was: "Speaking now of the automobile market--do you think the next 12 months or so will be a good time or a bad time to buy a car?"

CHART 31A - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR CARS

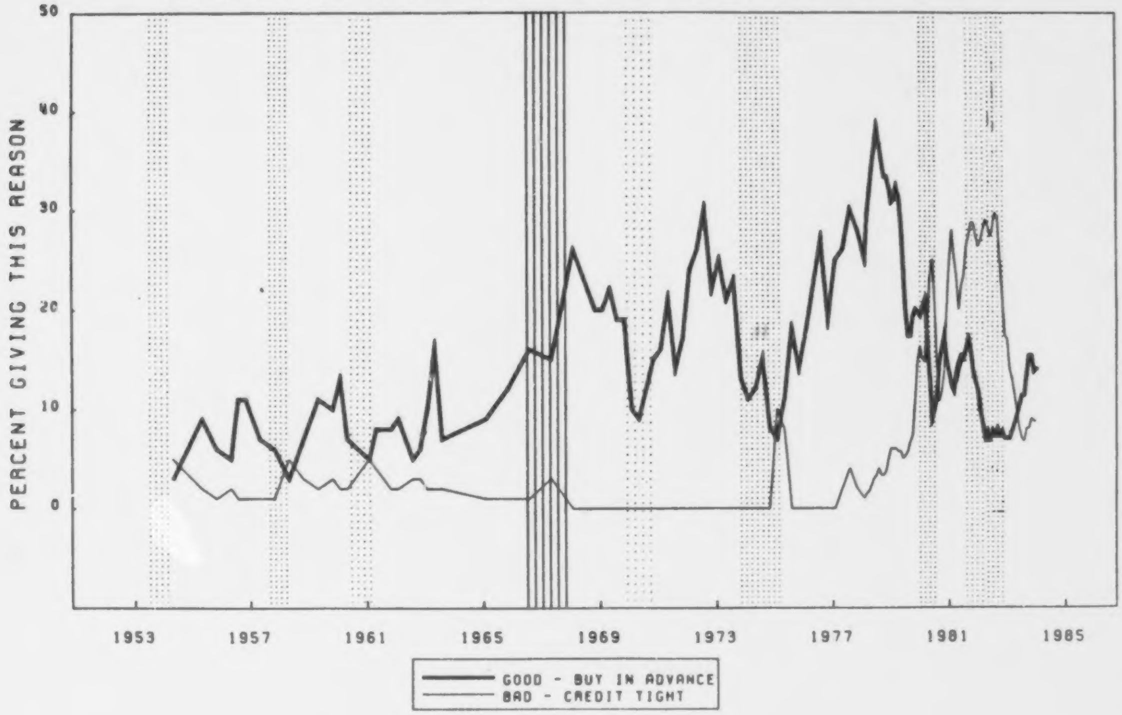
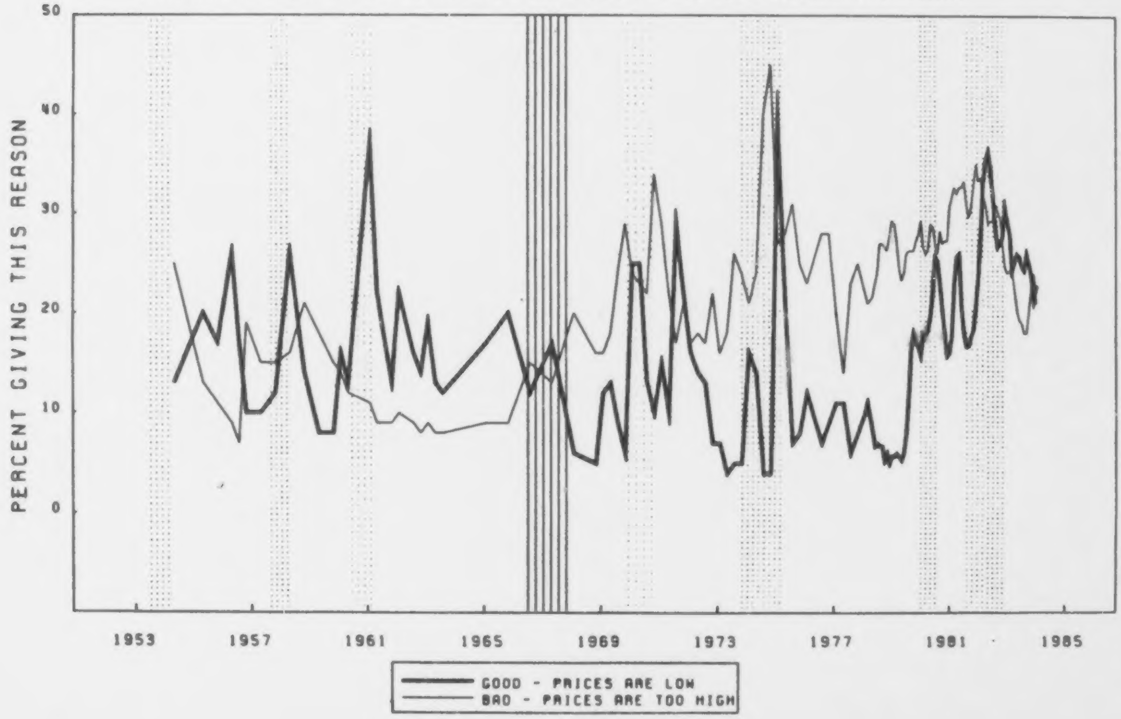


CHART 31B - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR CARS



## TABLE 31

## SELECTED REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR CARS +

| | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| GOOD TIME TO BUY: | | | | | | | | | | | | | |
| Prices are low; good buys available | 25% | 24% | 24% | 28% | 26% | 23% | 25% | 25% | 28% | 22% | 21% | 21% | 26% |
| Prices won't come down; are going higher | 7 | 8 | 8 | 8 | 12 | 11 | 11 | 12 | 17 | 17 | 12 | 12 | 18 |
| Interest rates low; credit is easy | 29 | 35 | 34 | 40 | 40 | 40 | 37 | 33 | 28 | 19 | 22 | 19 | 23 |
| New fuel efficient models | 2 | 1 | 2 | 2 | * | 1 | 2 | 1 | 2 | 2 | 2 | 2 | 1 |
| BAD TIME TO BUY: | | | | | | | | | | | | | |
| Prices are high | 24 | 26 | 23 | 19 | 19 | 20 | 18 | 16 | 20 | 25 | 23 | 24 | 16 |
| Interest rates are high; credit is tight | 18 | 10 | 11 | 11 | 7 | 6 | 8 | 6 | 10 | 8 | 9 | 9 | 8 |
| Lack of purchasing power | 12 | 12 | 10 | 7 | 7 | 7 | 7 | 9 | 6 | 8 | 6 | 5 | 3 |
| Price of gas; shortages | 1 | * | * | * | 1 | 1 | * | 1 | * | * | * | * | * |
| Poor selection; quality | 6 | 5 | 5 | 5 | 5 | 6 | 5 | 4 | 4 | 6 | 6 | 5 | 5 |

Responses to the query: "Why do you say so?" following the question on Table 30.

+ : May add to more than 100% due to multiple mentions.

* : Less than half of one percent.

CHART 32 - RECENT CHANGES
PLANS TO PURCHASE AN AUTOMOBILE DURING THE NEXT 12 MONTHS

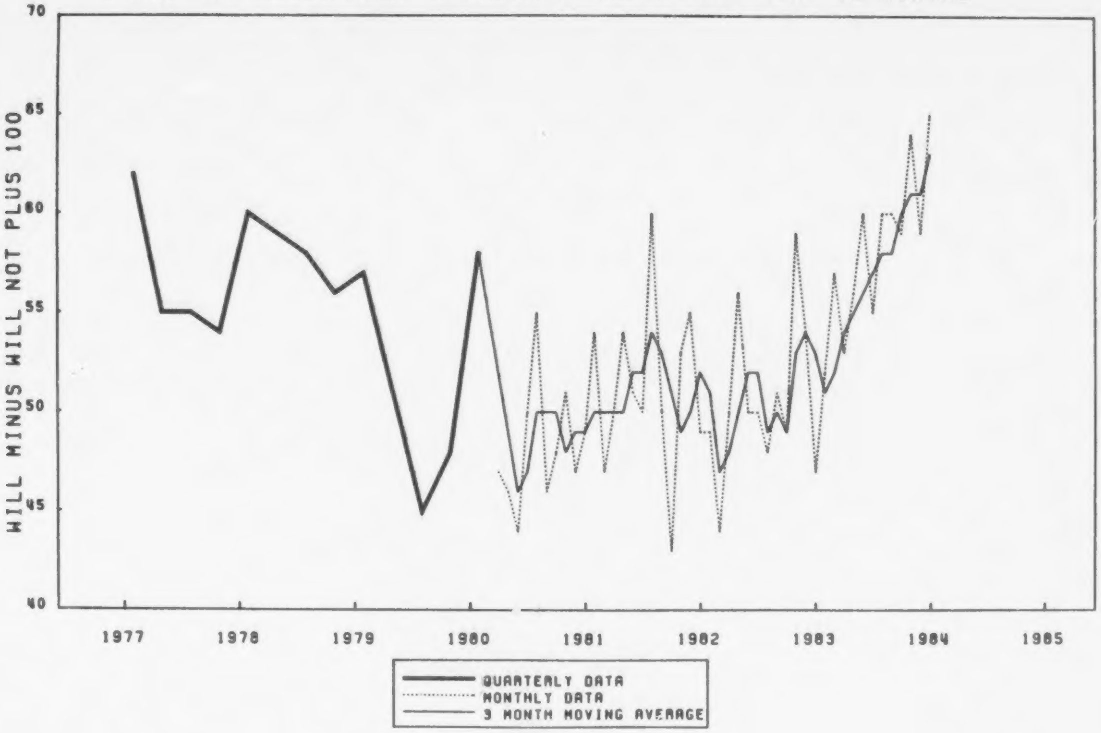
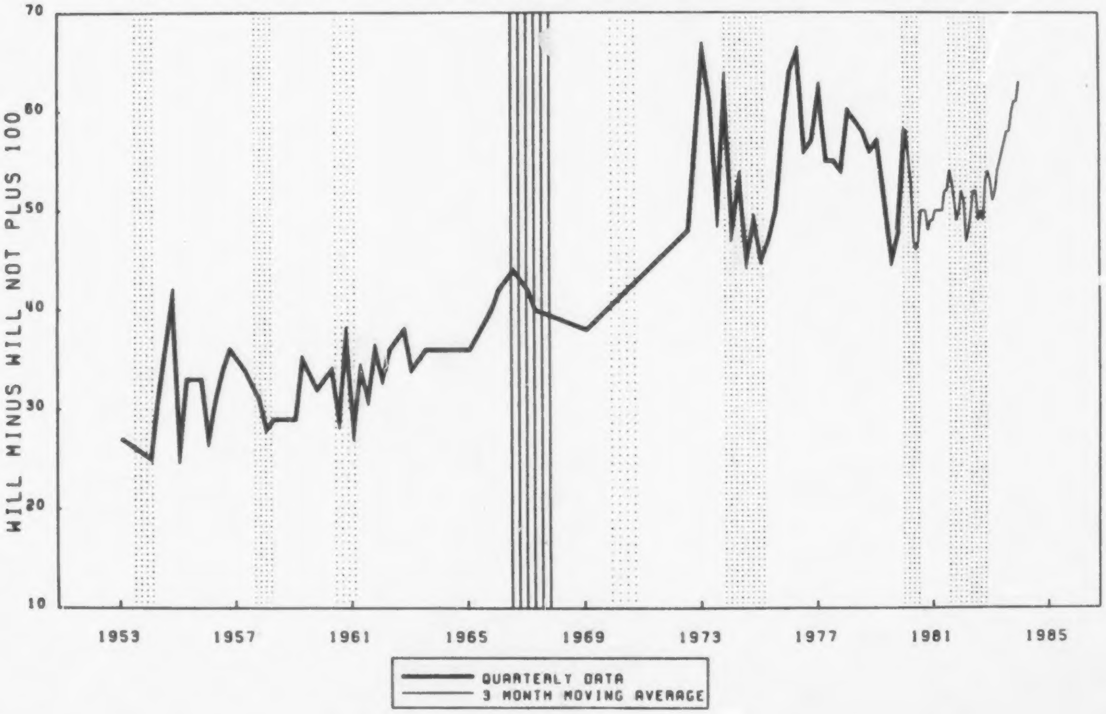


CHART 32 - HISTORICAL SERIES
PLANS TO PURCHASE AN AUTOMOBILE DURING THE NEXT 12 MONTHS



## TABLE 32

## PLANS TO PURCHASE AN AUTOMOBILE DURING THE NEXT 12 MONTHS

| | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| PROBABLY WILL BUY | 15% | 17% | 20% | 17% | 17% | 22% | 18% | 21% | 21% | 21% | 22% | 20% | 23% |
| CHANCES ARE EVEN | 7 | 8 | 7 | 9 | 9 | 7 | 6 | 7 | 9 | 8 | 9 | 8 | 7 |
| PROBABLY WILL NOT BUY | 68 | 65 | 63 | 64 | 61 | 62 | 63 | 61 | 61 | 62 | 58 | 61 | 58 |
| DK,NA | 10 | 10 | 10 | 10 | 13 | 9 | 13 | 11 | 9 | 9 | 11 | 11 | 12 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 682 | 709 | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 |

The question was: "What do you think are the chances that you (or anyone else in your family living there) will buy or lease a car during the next 12 months--would you say you probably will, probably will not, or are the chances about even, or what?"

## TABLE 33

## CURRENT VEHICLE PURCHASE INTENTIONS

| | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| PROPORTION WITH CURRENT PURCHASE INTENTIONS: | 22% | 25% | 27% | 26% | 26% | 29% | 24% | 28% | 30% | 29% | 31% | 28% | 30% |
| PURCHASE TYPE: | | | | | | | | | | | | | |
| Buy new | 10 | 12 | 13 | 14 | 12 | 13 | 11 | 15 | 13 | 17 | 17 | 16 | 15 |
| Buy used | 10 | 11 | 12 | 11 | 11 | 13 | 11 | 11 | 14 | 9 | 12 | 9 | 13 |
| Lease | 1 | 1 | 1 | * | 2 | 2 | 1 | 1 | 1 | 2 | 1 | 2 | 1 |
| DK,NA | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 2 | 1 | 1 | 1 | 1 |
| PURCHASE TIMING: | | | | | | | | | | | | | |
| Next 3 months | 3 | 3 | 1 | 6 | 2 | 1 | 4 | 5 | 2 | 6 | 4 | 2 | 5 |
| Next 4-6 months | 6 | 6 | 7 | 6 | 7 | 10 | 6 | 4 | 7 | 8 | 5 | 4 | 10 |
| Next 7-9 months | 4 | 7 | 9 | 7 | 8 | 8 | 3 | 5 | 5 | 8 | 9 | 10 | 7 |
| 10 months or more | 4 | 5 | 6 | 2 | 4 | 4 | 6 | 7 | 9 | 4 | 8 | 8 | 4 |
| DK,NA | 5 | 4 | 4 | 5 | 5 | 6 | 5 | 7 | 7 | 3 | 5 | 4 | 4 |

If response was "PROBABLY WILL BUY" or "CHANCES ARE EVEN" in Table 32, then the questions were: "If you do buy or lease a car, would it be a new car, or a used car?" , "Would you buy or lease?" and "When do you think you might buy or lease a car?"

* : Less than half of one percent.

## TABLE 34

## FUTURE VEHICLE PURCHASE INTENTIONS

| | Jan. 1983 | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| PROPORTION WITH FUTURE PURCHASE INTENTIONS: | 68% | 65% | 63% | 64% | 61% | 62% | 63% | 61% | 61% | 62% | 58% | 61% | 58% |
| PURCHASE TYPE: | | | | | | | | | | | | | |
| Would buy new | 36 | 34 | 31 | 38 | 36 | 37 | 37 | 33 | 33 | 33 | 36 | 36 | 36 |
| Would buy used | 30 | 29 | 31 | 25 | 24 | 24 | 24 | 27 | 27 | 29 | 21 | 24 | 21 |
| DK,NA | 2 | 2 | 1 | 1 | 1 | 1 | 2 | 1 | 1 | * | 1 | 1 | 1 |
| PURCHASE TIMING: | | | | | | | | | | | | | |
| Less than 2 years | 8 | 8 | 6 | 8 | 7 | 6 | 8 | 6 | 8 | 6 | 5 | 7 | 5 |
| 2 years | 23 | 19 | 20 | 22 | 24 | 20 | 23 | 21 | 22 | 20 | 19 | 23 | 19 |
| 3 years | 10 | 10 | 11 | 12 | 10 | 10 | 9 | 9 | 10 | 11 | 10 | 9 | 10 |
| 4 years or more | 21 | 20 | 21 | 16 | 18 | 21 | 18 | 18 | 15 | 19 | 18 | 17 | 17 |
| Indefinite | 2 | 2 | 1 | 2 | 1 | 1 | 2 | 2 | 2 | * | 1 | 1 | 2 |
| DK,NA | 4 | 6 | 4 | 4 | 1 | 4 | 3 | 5 | 4 | 6 | 5 | 4 | 5 |

If response was "PROBABLY WILL NOT BUY" in Table 32, then the questions were: "If you were to buy a car, would it be a new car or a used car? and "How long do you think it may be before will buy or lease a car?"

* : Less than half of one percent.

# EXPLANATORY CHARTS

CHART 1 - RECENT CHANGES
THE INDEX OF CONSUMER SENTIMENT

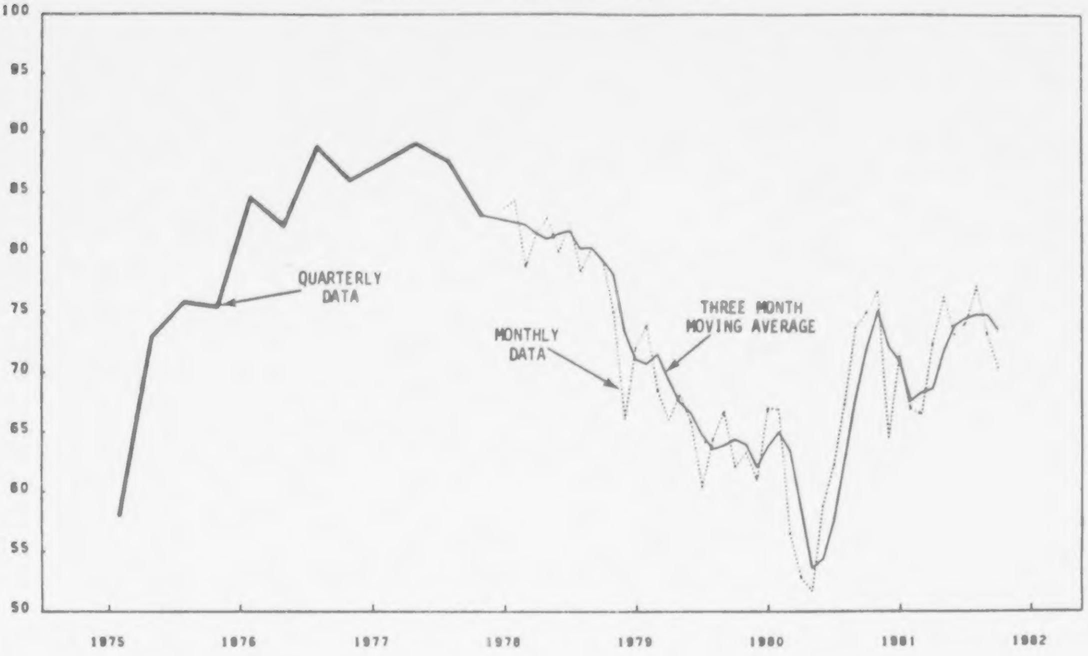
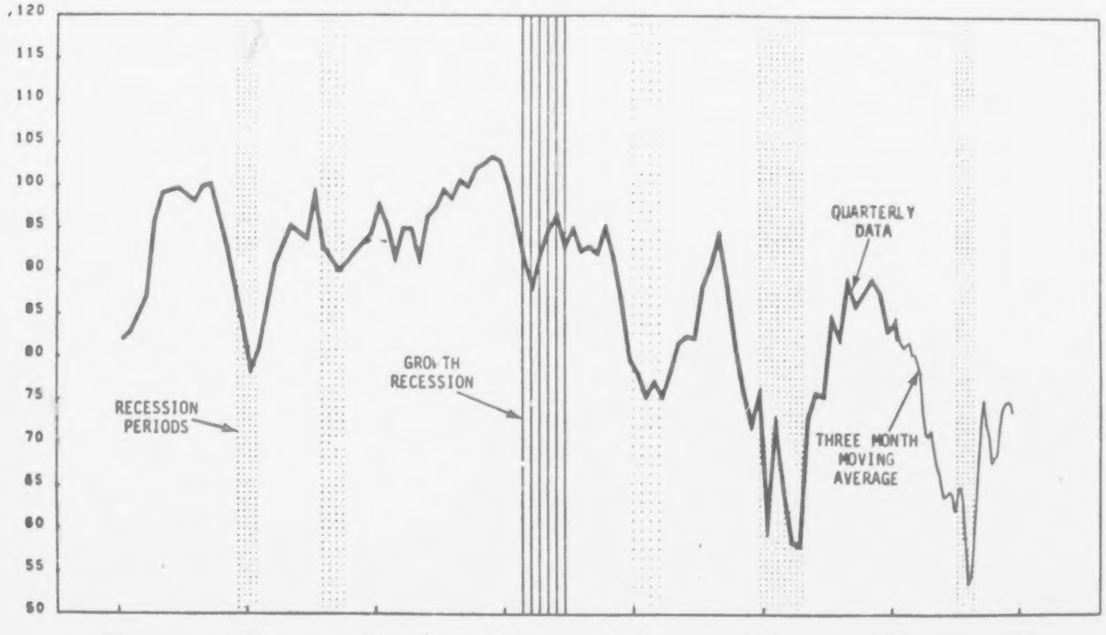


CHART 1 - HISTORICAL SERIES
THE INDEX OF CONSUMER SENTIMENT



## DESCRIPTION OF CHART LINES

QUARTERLY DATA: Data collected by surveys conducted at three-month intervals before 1978.

MONTHLY DATA: Data collected by surveys conducted each month since January of 1978.

THREE-MONTH MOVING AVERAGE: Each point plotted represents the average of the three monthly observations ending at the date plotted.

## TIME SCALE LABELS

Each tic mark on the time scale represents the month of January for the indicated year.

## NATIONAL BUREAU OF ECONOMIC RESEARCH, REFERENCE DATES FOR RECESSIONS

DATES:
November 1948 - October 1949
July 1953 - May 1954
August 1957 - April 1958
April 1960 - February 1961
June 1966 - November 1967*
December 1969 - November 1970
November 1973 - March 1975
January 1980 - July 1980
July 1981 - November 1982

Notes:

RECESSION PERIOD: Reduction in the national output of goods and services, generally lasting at least two quarters.

*GROWTH RECESSION: Retardation in the rate of growth of output and employment (usually followed by a recession and always the initial stage of a recession).

## APPROXIMATE SAMPLING ERRORS[a] OF SURVEY FINDINGS

(In percentages by size of sample or subgroup)

| Reported Percentages | Number of Interviews 700[b] | 1,400[c] | 2,100[d] |
|---|---|---|---|
| 50 | 4.2 | 3.2 | 2.8 |
| 30 or 70 | 3.8 | 2.9 | 2.5 |
| 20 or 80 | 3.4 | 2.6 | 2.2 |
| 10 or 90 | 2.5 | 1.9 | 1.6 |
| 5 or 95 | 1.8 | 1.4 | 1.2 |

---

[a] The figures in this table represent two standard errors. Hence, for most items the chances are 95 in 100 that the value being estimated lies within a range equal to the reported percentages, plus or minus the sampling error.

[b] Average size of monthly surveys.

[c] Average size of two monthly surveys.

[d] Average size of three monthly surveys (one quarter).

2/23/84 U7475-2 A

February 10, 1984

JANUARY 1984 MONTHLY REPORT

# Surveys of Consumer Attitudes

## THE REIGN OF OPTIMISM

Richard T. Curtin, *Director*

** The Index of Consumer Sentiment was 100.1 in the January 1984 survey, the highest level recorded since February 1966 (the base year survey), and just below the all-time record of 103.4 set in 1965. The January Index value was nearly 6 Index-points above the month earlier reading, and nearly 30 index-points above the year earlier reading. The recent improvement has been due to more favorable assessments of the economy as a whole, and more favorable evaluations of buying conditions.

** Among families with incomes of $25,000 and over, the Index of Consumer Sentiment rose to 114.2 in the January 1984 survey, up from 104.2 in the December survey, and 78.8 in the January 1983 survey.

** In the January 1984 survey American consumers held very favorable perceptions of recent developments in the economy. Reports that business conditions had improved during the past year were made by 75 percent of all families, the highest level recorded in more than 30 years. Good times financially in the economy as a whole were expected by 73 percent of all consumers in January 1984, the highest level recorded since 1965.

** More than twice as many consumers expected the unemployment rate to decline rather than increase during 1984 (36 versus 14 percent). The annual rate of inflation was expected to average 4.6% during 1984, just below the 4.8% recorded one year earlier. Confidence in government economic policies to reduce unemployment and inflation was reestablished in the January 1984 survey at the record favorable levels recorded when President Reagan first entered office.

** Attitudes toward buying conditions for large household durables reached a new record favorable level in the January 1984 survey. Among all families, 73 percent thought buying conditions for large household durables were now favorable, primarily because of the appeal of lower prices and discounts -- mentioned by a new record level of 45 percent.

* * *

The widespread optimism and confidence recorded in the January survey points toward continued growth in consumer sales during 1984. Along with greater sales, these data also indicate that greater pressures on the credit market can be expected in the upcoming months. The length and pace of the recovery will be determined by whether the increases in the demand for credit by the consumer sector, when combined with the needs of the government and the business sectors, can be accommodated without a resurgence in interest rates. Consumer sensitivity to interest rate trends has greatly heightened in recent years, and significant interest rate increases could again cause sharp and rapid reversals in favorable buying attitudes.

## Record Assessments of Economic Performance

Reports that business conditions had improved during the past year were made by 75 percent of all households in the January 1984 survey -- the highest proportion recorded in more than 30 years. Not only has the frequency of favorable assessments of the economy reached a record level, but the pace of improvement has also been rapid. A complete reversal in evaluations of current business conditions has occurred since January 1983, when reports that the economy was worsening were made by 76 percent of all households. When asked about news they had heard and could recall of recent economic developments, respondents in the January 1984 survey reported three times as many favorable as unfavorable developments (78 versus 26 percent). These very favorable perceptions of recent economic developments have been primarily due to more favorable prospects for employment. During the past year, respondents have increasingly cited hearing of increases in employment (from 13 to 27 percent), and much less frequently reported news of increases in unemployment (down from 43 to 12 percent). Overall, more than twice as many respondents expected unemployment to decline during the year ahead as expected it to increase (36 versus 14 percent).

These favorable assessments of current economic conditions have been accompanied by optimistic expectations about the future course of the economy. Among all families, 73 percent expected good times financially in the economy as a whole during the next year, the highest proportion recorded since 1965. Economic prospects over the longer term were also viewed more favorably in the January 1984 survey. Among all families, 44 percent expected good times in the economy as a whole during the next five years or so, the highest level recorded since 1965. The expectation that economic growth over the next five years or so will be interrupted by renewed recession was held by 36 percent of all households in the January 1984 survey, down from 57 percent one year earlier.

The annual rate of inflation expected by consumers in the January 1984 survey was 4.6%, down from 5.0% one month earlier, and 4.8% one year earlier. As shown in the table below, the mean expected rate of inflation has declined substantially since the peak rate of 13.1% was recorded in the January 1980 survey. In the two years from 1980 to 1982, the mean expected inflation rate declined by 7.7 percentage points, while from 1982 to 1984, only an additional decline of 0.8 percentage points was recorded. The sharp decline during the earlier period was accompanied by a shift in responses from inflation expectations of 10% or more (declining from 53 percent in 1980 to 21 percent in 1982) to the expectation that prices would remain unchanged or decline (rising from 9 percent in 1980 to 36 percent in 1982). Although the overall mean declined by less than 1 percentage point from 1982 to 1984, it was accompanied by a continued shift away from double digit price expectations (from 21 to 14 percent) as well as away from the expectation that prices would remain unchanged or decline (from 36 to 25 percent), and toward a greater concentration of price expectations in the 1-4% range (from 13 to 33 percent). This consolidation and reduction in the dispersion of price expectations indicates less consumer uncertainty about expected price trends.

| Survey Date | Mean | Expected Change in Prices | | | |
|---|---|---|---|---|---|
| | | Same or Down | 1-4% | 5-9% | 10%+ |
| 1980 | 13.1% | 9% | 6% | 19% | 53% |
| 1981 | 7.8 | 21 | 9 | 19 | 37 |
| 1982 | 5.4 | 36 | 13 | 23 | 21 |
| 1983 | 4.8 | 35 | 21 | 23 | 16 |
| 1984 | 4.6 | 25 | 33 | 22 | 14 |

Confidence in government economic policies to control inflation and unemployment reached new favorable levels in the January 1984 survey. Among all families, 31 percent favorably rated government economic policies in the January 1984 survey, almost twice the 16 percent recorded one year earlier. Unfavorable ratings of government economic policies were given by 16 percent of all families in the January 1984 survey, less than half the 37 percent recorded one year earlier. This recent improvement restores the high level of confidence recorded in the early months of the Reagan administration.

## Buying Conditions Attract Record Numbers

Consumer attitudes toward buying conditions for large household durables reached new record favorable levels in the January 1984 survey. Among all families, 73 percent favorably rated buying conditions for durables, the highest proportion recorded during the last 30 years. The proportion that reported favorable buying conditions for durables rose from 51 percent at the start of 1983 to 67 percent by mid-1983, and subsequently receded to 61 percent at year end. When asked to explain their views on market conditions for household durables, the appeal of lower prices and discounts was mentioned by 45 percent of all respondents, the highest level ever recorded. In the December 1983 survey, 38 percent mentioned the appeal of lower prices and discounts on household durables, which, at that time, tied the prior record set in both February 1983 and February 1961.

Buying conditions for cars were viewed favorably by 64 percent of all families in the January 1984 survey, up from 56 percent in December, and just below the all-time record of 66 percent recorded in the April and May 1983 surveys. Because fewer households held unfavorable car buying attitudes in the January 1984 survey (24 percent) than in early 1983 (29 percent), the net balance of opinion was more favorable in the January 1984 survey. When asked to explain their views on buying conditions for cars, 23 percent of all respondents mentioned the availability of lower interest rates, up from 19 percent one month earlier, but below the 40 percent recorded at mid-year. Unfavorable references to high interest rates on automobile loans fell to 8 percent in the January 1984 survey, below the 9 percent recorded one month earlier, and the 18 percent recorded one year earlier. In the January 1984 survey, consumers more frequently reported the appeal of rebates and discounts on car prices (26 percent) than mentioned their aversion to high car prices (16 percent). In the January 1983 survey, in comparison, about as many respondents mentioned low as high prices (25 versus 24 percent). In addition to these traditional price motivations, during the past year the proportion of families that mentioned buy-in-advance price rationales with regard to the automobile market rose from 7 to 18 percent.

Buying conditions for houses were rated favorably by 59 percent of all families in the January 1984 survey, up from 57 percent one month earlier, but below the all-time peak of 66 percent recorded in June 1983. When asked to explain their views on buying conditions for houses, references to the availability of lower mortgage interest rates were made by 41 percent of all families, unchanged from December, but below the mid-year peak of 61 percent. Complaints about high mortgage rates were made by 26 percent of all families in the January 1984 survey, just above the mid-year low of 23 percent.

Throughout 1983 consumers were drawn to the housing market by the appeal of lower prices. In mid-1983, 25 percent of all families cited lower housing prices, more than twice the 12 percent that referred to high housing prices. By the start of 1984, however, the balance of opinion shifted from low to high prices (15 versus 16 percent). Moreover, while references to the availability of low housing prices declined to 15 percent from 21 percent a year earlier, the frequency of references to buy-in-advance price rationales rose to 12 percent from 5 percent, and references to the potential returns from housing investments rose to 8 from 4 percent.

## Personal Finances Strengthen

In the January 1984 survey, 43 percent of all American families reported that their financial situation had improved during the past year, just below the 45 percent recorded in December 1983, but substantially above the 29 percent recorded one year earlier. Despite the small decline from December, the January reading is higher than in any other survey during the past decade. Unfavorable changes in their personal financial situation were reported by 25 percent of all consumers in January 1984, down from 38 percent one year earlier. The improvement during the past year has been due to more favorable income and price trends. Families more frequently mentioned receiving income increases in January 1984 than one year earlier (31, up from 28 percent), and fewer families reported income declines (17, down from 22 percent). Importantly, just 14 percent of all families mentioned the adverse impact of inflation on family budgets, down from 24 percent one year earlier.

Consumers remained very optimistic about the future course of their personal financial situation in the January 1984 survey. Among all families, 38 percent expected their financial situation to improve during the year ahead, up from 35 percent in December, although below the mid-1983 peak of 43 percent. Just 9 percent of all families in the January 1984 survey expected their financial situation to worsen during the year ahead.

* * *

The January, 1984 survey included 681 completed interviews and was conducted between January 3 and February 1, 1984.

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# SURVEYS OF CONSUMER ATTITUDES

SURVEY RESEARCH CENTER
UNIVERSITY OF MICHIGAN

Institute for Social Research

# TABLES AND CHARTS

## FEBRUARY 1984

The February 1984 survey is the 185th in a series of surveys of consumer attitudes conducted by the Survey Research Center at The University of Michigan. Initiated in 1946, these periodic surveys provide regular assessments of consumer attitudes and expectations, and are used to evaluate economic trends and prospects. The surveys are designed to explore why changes in consumer attitudes and expectations occur, and how these changes influence consumer spending and saving decisions.

Two charts highlight recent changes and historical patterns for most questions. Recent change charts include quarterly data before 1978 and monthly data starting in January of 1978. Historical series charts show quarterly data before 1978 and 3 month moving averages since then. See the explanatory charts at the end of this book for a detailed description.

All surveys are subject to sampling error because not all members of the population are interviewed. Most results on the total sample for this monthly survey will differ by no more than 4 percentage points in either direction from what would have been obtained by using the same methods on the entire population. See the back of this book for sampling error information.

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| 4 | CURRENT FINANCIAL SITUATION COMPARED TO A YEAR AGO |
| 5 | SELECTED REASONS FOR OPINIONS ABOUT PERSONAL FINANCIAL SITUATION |
| 6 | EXPECTED CHANGE IN FINANCIAL SITUATION |
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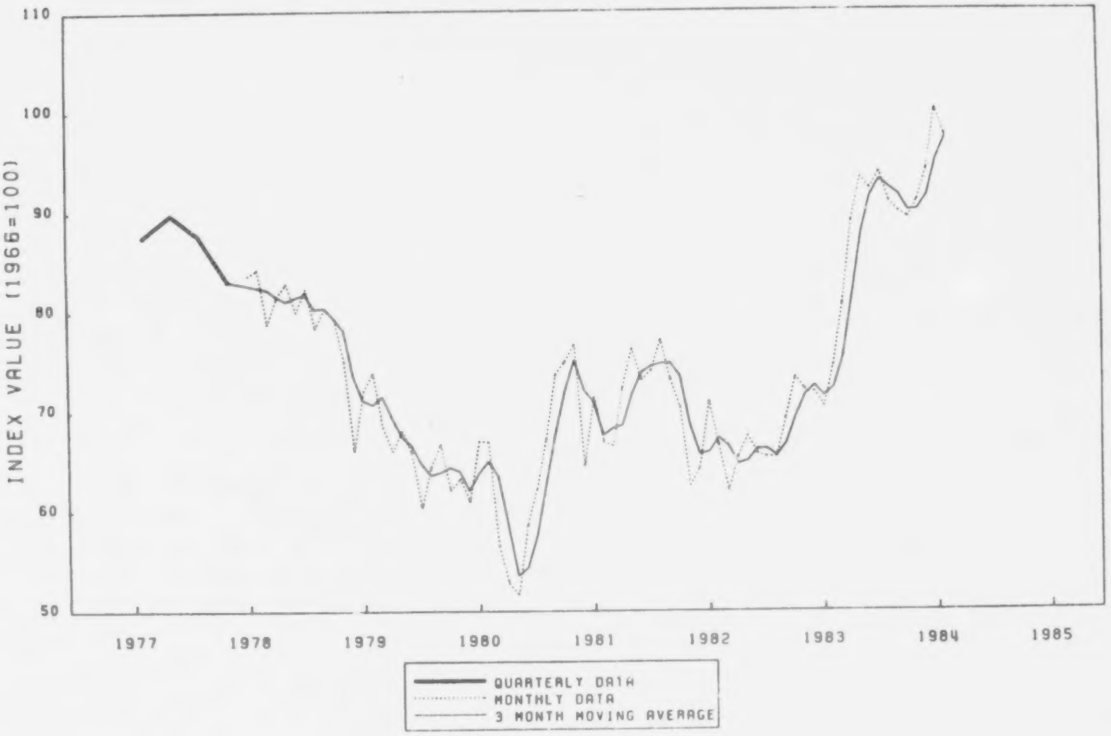
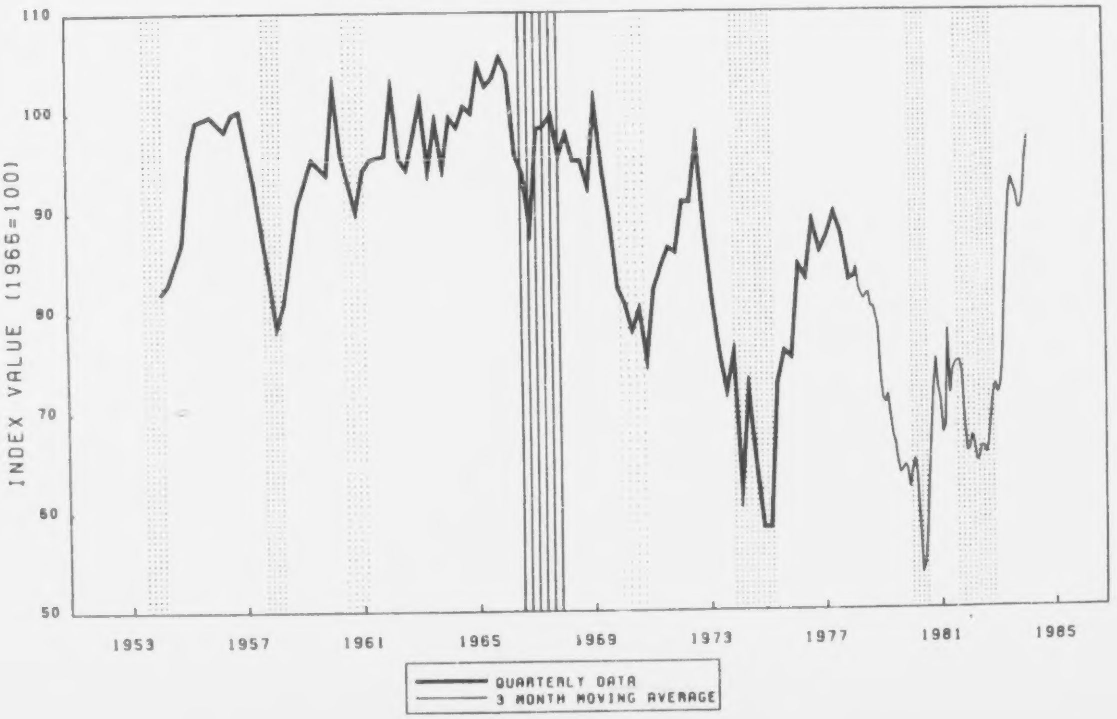
### CHART 1 - RECENT CHANGES
### THE INDEX OF CONSUMER SENTIMENT



### CHART 1 - HISTORICAL SERIES
### THE INDEX OF CONSUMER SENTIMENT



## TABLE 1

## THE INDEX OF CONSUMER SENTIMENT

| DATE OF SURVEY | | All families | Families with incomes over $20,000 | Families with incomes over $25,000 |
|---|---|---|---|---|
| February | 1981 | 66.9 | 74.2 | 77.5 |
| March | 1981 | 66.5 | 72.1 | 73.7 |
| April | 1981 | 72.4 | 77.1 | 78.0 |
| May | 1981 | 76.3 | 80.8 | 85.0 |
| June | 1981 | 73.1 | 81.2 | 82.9 |
| July | 1981 | 74.1 | 80.8 | 82.1 |
| August | 1981 | 77.2 | 82.7 | 85.0 |
| September | 1981 | 73.1 | 75.2 | 73.3 |
| October | 1981 | 70.3 | 74.5 | 77.9 |
| November | 1981 | 62.5 | 67.2 | 66.3 |
| December | 1981 | 64.3 | 71.0 | 71.1 |
| January | 1982 | 71.0 | 77.9 | 77.8 |
| February | 1982 | 66.5 | 71.5 | 72.8 |
| March | 1982 | 62.0 | 67.0 | 67.9 |
| April | 1982 | 65.5 | 71.5 | 73.2 |
| May | 1982 | 67.5 | 72.7 | 74.8 |
| June | 1982 | 65.7 | 71.4 | 72.9 |
| July | 1982 | 65.4 | 68.9 | 69.2 |
| August | 1982 | 65.4 | 71.0 | 73.6 |
| September | 1982 | 69.3 | 78.4 | 81.1 |
| October | 1982 | 73.4 | 77.5 | 80.9 |
| November | 1982 | 72.1 | 79.3 | 81.1 |
| December | 1982 | 71.9 | 78.0 | 80.5 |
| January | 1983 | 70.4 | 78.2 | 78.8 |
| February | 1983 | 74.6 | 79.9 | 81.3 |
| March | 1983 | 80.8 | 88.4 | 88.9 |
| April | 1983 | 89.1 | 97.1 | 99.0 |
| May | 1983 | 93.3 | 99.6 | 101.0 |
| June | 1983 | 92.2 | 101.2 | 102.5 |
| July | 1983 | 93.9 | 104.4 | 106.5 |
| August | 1983 | 90.9 | 101.2 | 103.5 |
| September | 1983 | 89.9 | 99.0 | 102.3 |
| October | 1983 | 89.3 | 99.5 | 101.9 |
| November | 1983 | 91.1 | 97.2 | 98.8 |
| December | 1983 | 94.2 | 101.7 | 104.5 |
| January | 1984 | 100.1 | 112.0 | 114.2 |
| February | 1984 | 97.4 | 109.6 | 111.2 |

CHART 2A - HISTORICAL SERIES
INDEX OF CONSUMER SENTIMENT WITHIN REGION SUBGROUPS

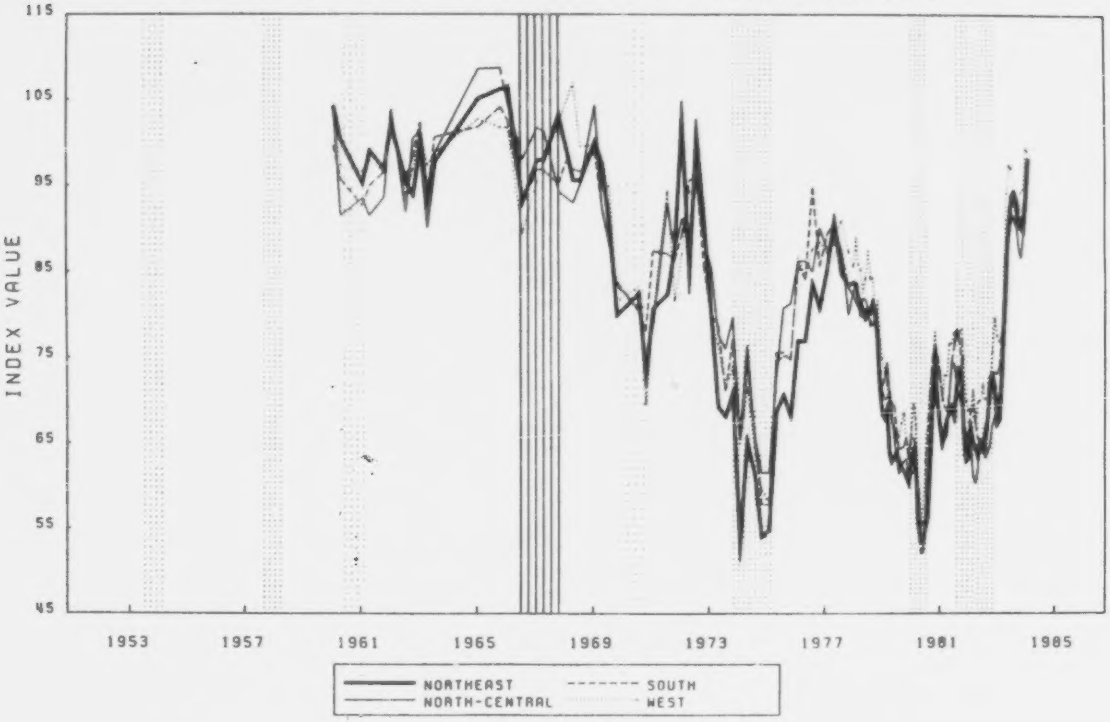
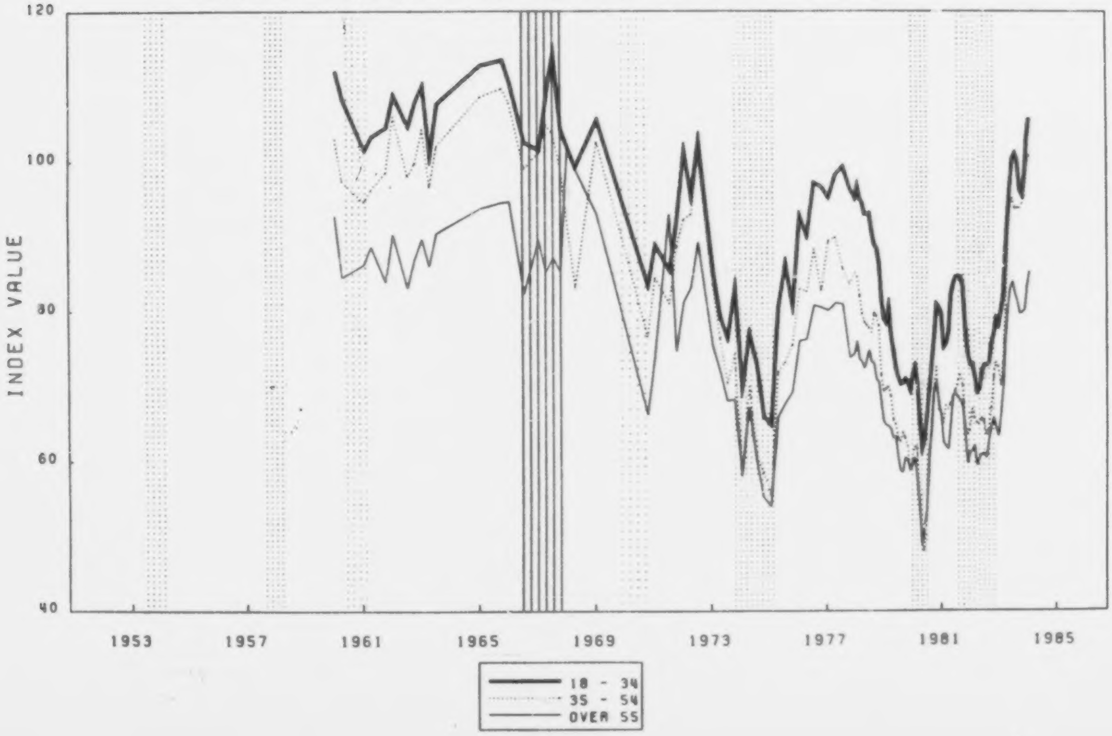


CHART 2B - HISTORICAL SERIES
INDEX OF CONSUMER SENTIMENT WITHIN AGE SUBGROUPS

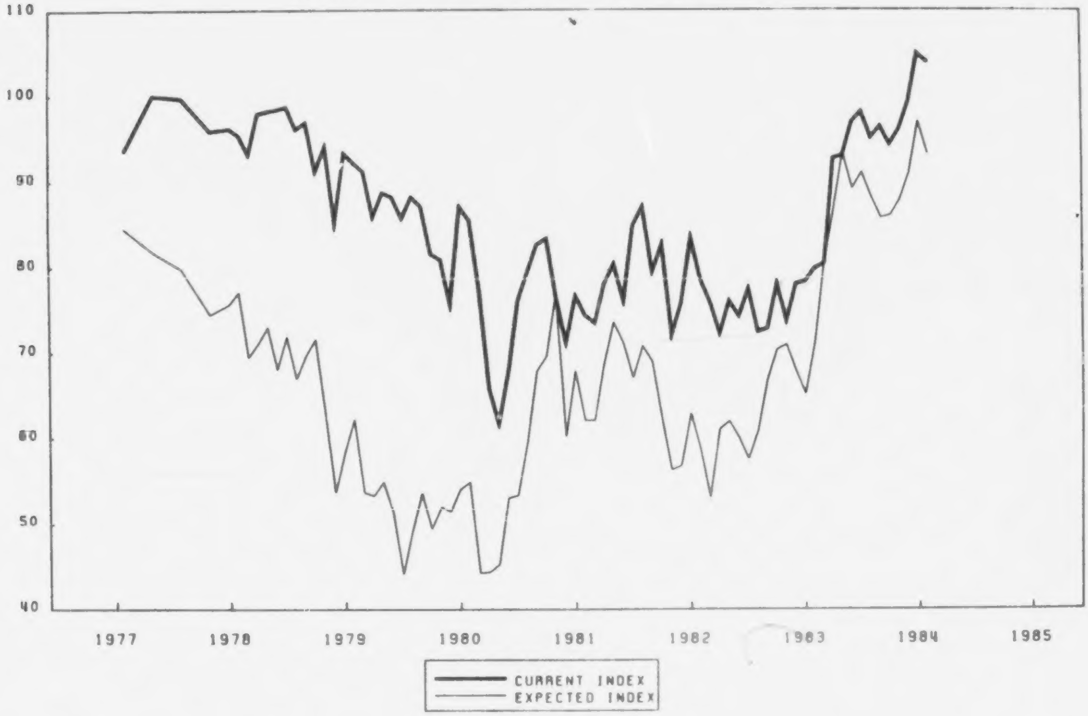


## TABLE 2

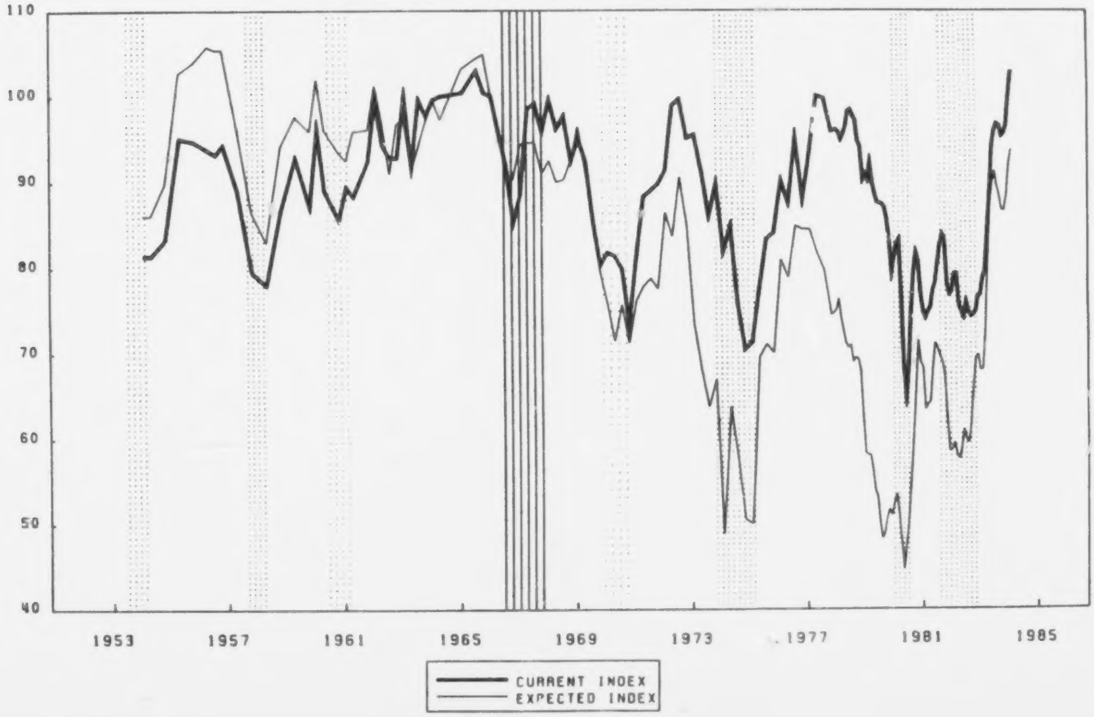
## INDEX OF CONSUMER SENTIMENT WITHIN REGION AND AGE SUBGROUPS

| | CENSUS REGION | | | | AGE OF RESPONDENT | | |
|---|---|---|---|---|---|---|---|
| DATE OF SURVEY | North East | North Central | South | West | 18-34 | 35-54 | 55+ |
| February 1981 | 64.5 | 62.6 | 70.2 | 70.8 | 72.5 | 68.4 | 59.6 |
| March 1981 | 66.5 | 62.6 | 64.9 | 73.7 | 77.3 | 63.9 | 58.4 |
| April 1981 | 72.6 | 72.7 | 71.0 | 74.2 | 81.5 | 68.3 | 66.9 |
| May 1981 | 66.8 | 76.6 | 77.5 | 82.2 | 87.7 | 71.2 | 70.0 |
| June 1981 | 68.5 | 74.0 | 75.2 | 73.8 | 81.7 | 67.0 | 69.6 |
| July 1981 | 68.9 | 72.2 | 76.5 | 78.1 | 84.2 | 70.6 | 67.6 |
| August 1981 | 77.0 | 70.1 | 83.2 | 79.2 | 87.8 | 75.0 | 67.9 |
| September 1981 | 75.1 | 69.9 | 72.4 | 76.6 | 81.4 | 68.8 | 69.2 |
| October 1981 | 67.9 | 68.2 | 68.9 | 79.0 | 80.7 | 65.9 | 64.8 |
| November 1981 | 55.8 | 64.7 | 61.1 | 68.8 | 71.3 | 59.6 | 57.7 |
| December 1981 | 65.0 | 65.3 | 64.4 | 61.6 | 70.9 | 65.3 | 56.7 |
| January 1982 | 68.8 | 67.3 | 72.0 | 76.2 | 76.6 | 67.4 | 68.5 |
| February 1982 | 65.9 | 60.6 | 71.8 | 68.8 | 71.5 | 68.3 | 59.0 |
| March 1982 | 60.5 | 55.8 | 64.7 | 68.2 | 65.5 | 61.4 | 58.8 |
| April 1982 | 67.2 | 64.6 | 65.0 | 65.8 | 70.6 | 65.5 | 60.4 |
| May 1982 | 62.4 | 66.5 | 66.6 | 75.7 | 72.7 | 67.6 | 62.0 |
| June 1982 | 65.4 | 65.0 | 64.9 | 68.6 | 72.4 | 64.4 | 60.3 |
| July 1982 | 65.1 | 64.0 | 63.5 | 71.1 | 73.4 | 63.3 | 60.6 |
| August 1982 | 68.1 | 60.6 | 64.0 | 70.6 | 72.6 | 62.9 | 60.2 |
| September 1982 | 70.3 | 67.2 | 71.1 | 68.8 | 73.0 | 66.7 | 68.0 |
| October 1982 | 77.8 | 66.2 | 74.1 | 79.3 | 81.2 | 72.1 | 65.5 |
| November 1982 | 70.6 | 67.9 | 73.2 | 79.3 | 76.6 | 75.7 | 63.8 |
| December 1982 | 66.1 | 70.0 | 72.5 | 80.4 | 78.9 | 71.7 | 64.2 |
| January 1983 | 64.9 | 70.5 | 73.6 | 72.8 | 78.8 | 70.0 | 62.0 |
| February 1983 | 72.1 | 72.3 | 75.8 | 77.2 | 82.1 | 68.3 | 72.4 |
| March 1983 | 82.9 | 73.7 | 82.7 | 84.4 | 84.9 | 81.5 | 75.5 |
| April 1983 | 89.1 | 88.0 | 87.2 | 95.6 | 95.8 | 90.5 | 80.5 |
| May 1983 | 88.3 | 90.7 | 93.3 | 102.7 | 97.2 | 97.1 | 84.9 |
| June 1983 | 95.1 | 88.7 | 92.5 | 94.1 | 97.8 | 94.4 | 83.9 |
| July 1983 | 98.3 | 93.8 | 89.9 | 94.3 | 106.0 | 93.6 | 83.0 |
| August 1983 | 89.6 | 92.0 | 91.3 | 89.6 | 99.2 | 92.9 | 80.0 |
| September 1983 | 92.6 | 87.8 | 89.3 | 90.8 | 94.6 | 94.5 | 80.9 |
| October 1983 | 89.9 | 83.7 | 91.5 | 93.5 | 94.2 | 93.8 | 77.8 |
| November 1983 | 87.7 | 88.3 | 91.5 | 98.5 | 97.2 | 94.6 | 80.7 |
| December 1983 | 91.4 | 96.2 | 95.2 | 92.2 | 102.3 | 97.5 | 81.8 |
| January 1984 | 100.7 | 96.8 | 97.5 | 107.5 | 107.9 | 106.0 | 87.4 |
| February 1984 | 102.3 | 98.4 | 93.5 | 97.1 | 106.2 | 98.9 | 86.5 |

## CHART 3 - RECENT CHANGES
## CURRENT AND EXPECTED COMPONENTS



## CHART 3 - HISTORICAL SERIES
## CURRENT AND EXPECTED COMPONENTS



# TABLE 3

## COMPONENTS OF THE INDEX OF CONSUMER SENTIMENT

| | INDEX COMPONENTS + | | | | | | |
|---|---|---|---|---|---|---|---|
| | Personal finances | | Business conditions | | Buying conds. | Current Index | Expected Index |
| DATE OF SURVEY | Current (1) | Expected (2) | 12 months (3) | 5 years (4) | (5) | (1,5) | (2,3,4) |
| February 1981 | 80 | 106 | 64 | 73 | 109 | 74.4 | 62.1 |
| March 1981 | 86 | 104 | 68 | 72 | 101 | 73.5 | 62.1 |
| April 1981 | 79 | 111 | 83 | 78 | 121 | 78.1 | 68.8 |
| May 1981 | 95 | 118 | 92 | 81 | 111 | 80.4 | 73.6 |
| June 1981 | 89 | 113 | 91 | 78 | 104 | 76.1 | 71.2 |
| July 1981 | 99 | 114 | 81 | 70 | 118 | 84.9 | 67.1 |
| August 1981 | 100 | 117 | 92 | 72 | 123 | 87.1 | 70.8 |
| September 1981 | 94 | 113 | 80 | 80 | 109 | 79.5 | 69.0 |
| October 1981 | 95 | 110 | 68 | 67 | 117 | 82.7 | 62.3 |
| November 1981 | 85 | 110 | 54 | 56 | 99 | 72.1 | 56.3 |
| December 1981 | 94 | 110 | 54 | 61 | 101 | 75.9 | 56.8 |
| January 1982 | 92 | 115 | 66 | 70 | 124 | 83.5 | 62.9 |
| February 1982 | 91 | 112 | 56 | 65 | 111 | 78.6 | 58.7 |
| March 1982 | 89 | 106 | 44 | 60 | 106 | 75.9 | 53.1 |
| April 1982 | 87 | 111 | 62 | 70 | 99 | 72.3 | 61.1 |
| May 1982 | 94 | 113 | 62 | 72 | 102 | 76.1 | 62.0 |
| June 1982 | 92 | 116 | 58 | 65 | 99 | 74.3 | 60.1 |
| July 1982 | 90 | 113 | 53 | 63 | 110 | 77.5 | 57.6 |
| August 1982 | 89 | 110 | 64 | 69 | 97 | 72.5 | 60.9 |
| September 1982 | 89 | 116 | 76 | 74 | 98 | 72.9 | 66.9 |
| October 1982 | 95 | 119 | 79 | 83 | 106 | 78.1 | 70.4 |
| November 1982 | 85 | 121 | 77 | 86 | 105 | 73.8 | 71.0 |
| December 1982 | 90 | 117 | 74 | 80 | 111 | 78.1 | 67.9 |
| January 1983 | 91 | 115 | 76 | 69 | 111 | 78.4 | 65.2 |
| February 1983 | 89 | 117 | 87 | 81 | 117 | 79.9 | 71.2 |
| March 1983 | 92 | 126 | 113 | 85 | 115 | 80.5 | 80.9 |
| April 1983 | 108 | 131 | 120 | 99 | 131 | 92.7 | 86.9 |
| May 1983 | 101 | 137 | 139 | 100 | 139 | 93.1 | 93.4 |
| June 1983 | 110 | 128 | 134 | 97 | 141 | 96.9 | 89.2 |
| July 1983 | 111 | 126 | 136 | 104 | 143 | 98.1 | 91.1 |
| August 1983 | 106 | 124 | 130 | 100 | 140 | 95.1 | 88.2 |
| September 1983 | 109 | 125 | 125 | 95 | 140 | 96.4 | 85.8 |
| October 1983 | 104 | 124 | 124 | 98 | 140 | 94.3 | 86.1 |
| November 1983 | 111 | 127 | 129 | 98 | 138 | 96.1 | 87.9 |
| December 1983 | 123 | 125 | 140 | 102 | 134 | 99.3 | 91.0 |
| January 1984 | 117 | 129 | 154 | 108 | 155 | 104.9 | 97.0 |
| February 1984 | 119 | 130 | 139 | 106 | 151 | 103.9 | 93.2 |

(1) See Table 4.
(2) See Table 6.
(3) See Table 18.
(4) See Table 19.
(5) See Table 26.

CHART 4 - RECENT CHANGES
CURRENT FINANCIAL SITUATION COMPARED WITH A YEAR AGO

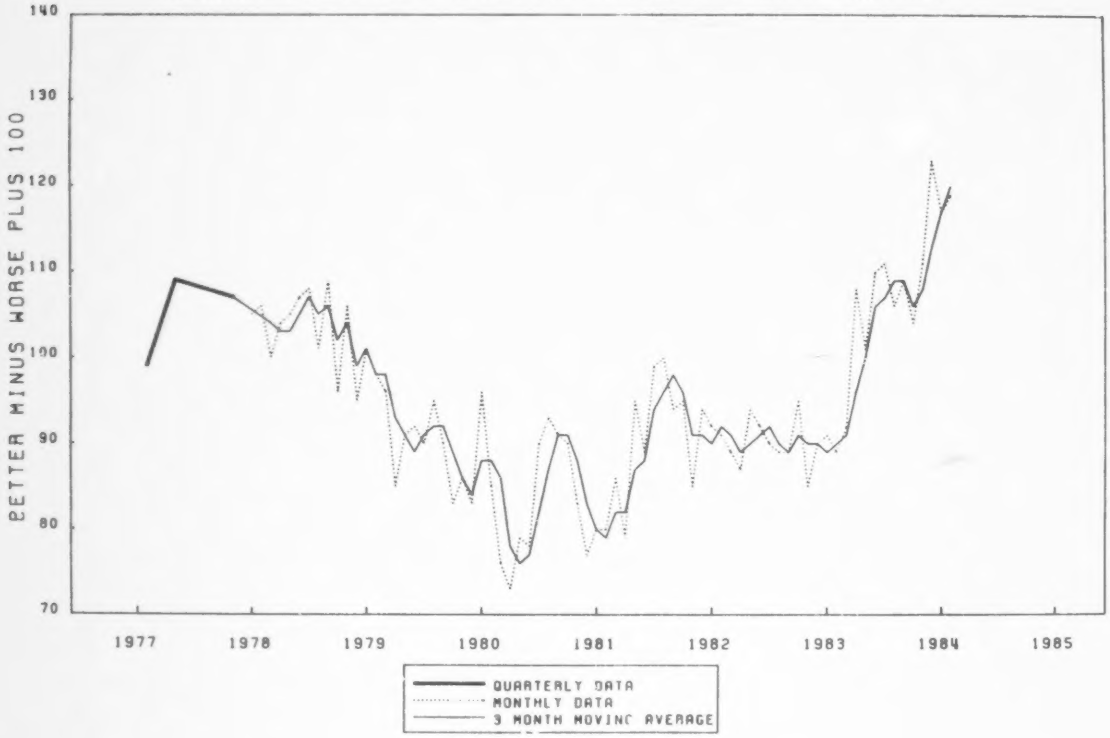
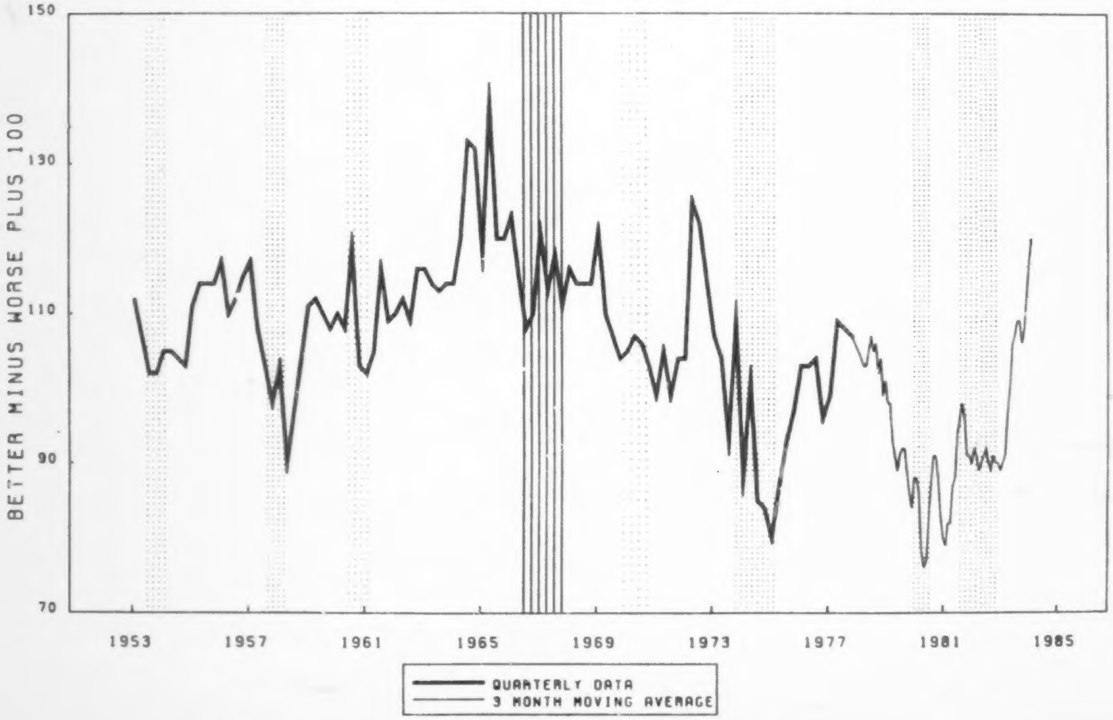


CHART 4 - HISTORICAL SERIES
CURRENT FINANCIAL SITUATION COMPARED WITH A YEAR AGO



## TABLE 4

## CURRENT FINANCIAL SITUATION COMPARED TO A YEAR AGO

| | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| BETTER OFF | 30% | 31% | 39% | 34% | 38% | 40% | 36% | 38% | 36% | 38% | 45% | 42% | 44% |
| SAME | 29 | 30 | 30 | 33 | 33 | 31 | 34 | 33 | 32 | 35 | 33 | 32 | 31 |
| WORSE OFF | 41 | 39 | 31 | 33 | 28 | 29 | 30 | 29 | 32 | 27 | 22 | 25 | 25 |
| DK,NA | * | * | * | * | 1 | * | * | * | * | * | * | 1 | * |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 709 | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 |

The question was: "We are interested in how people are getting along financially these days. Would you say that you (and your family living there) are better off or worse off financially than you were a year ago?"

* : Less than half of one percent.

CHART 5 - RECENT CHANGES
REASONS FOR OPINIONS ABOUT PERSONAL FINANCIAL SITUATION

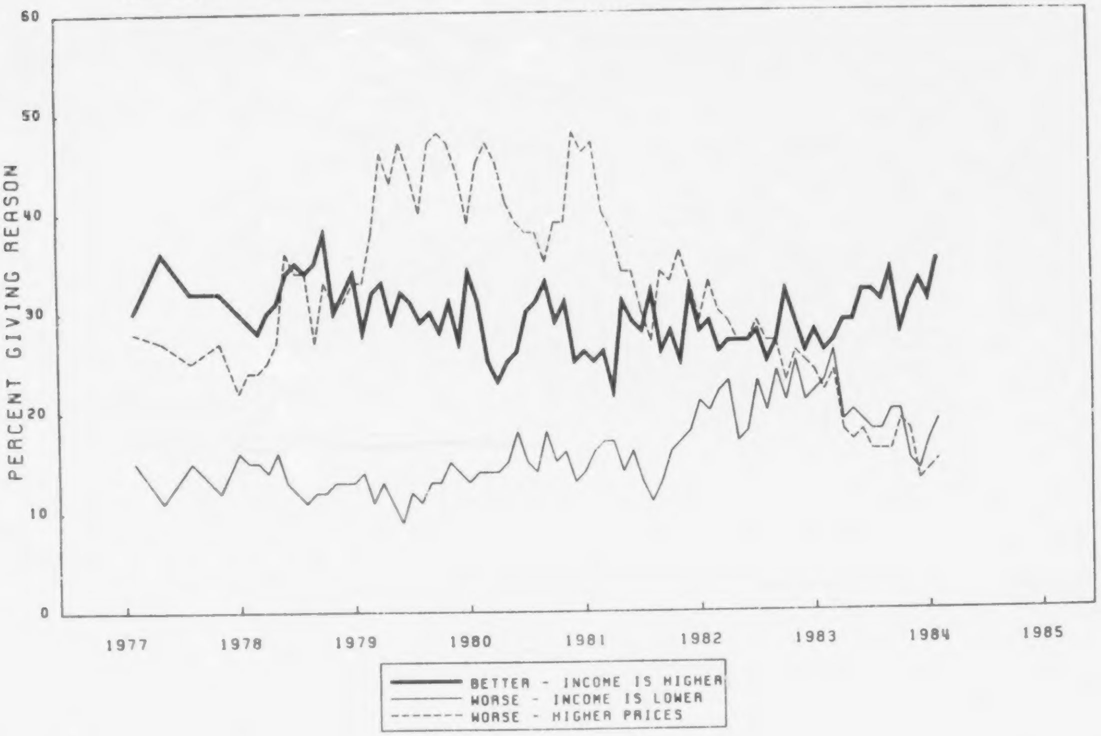
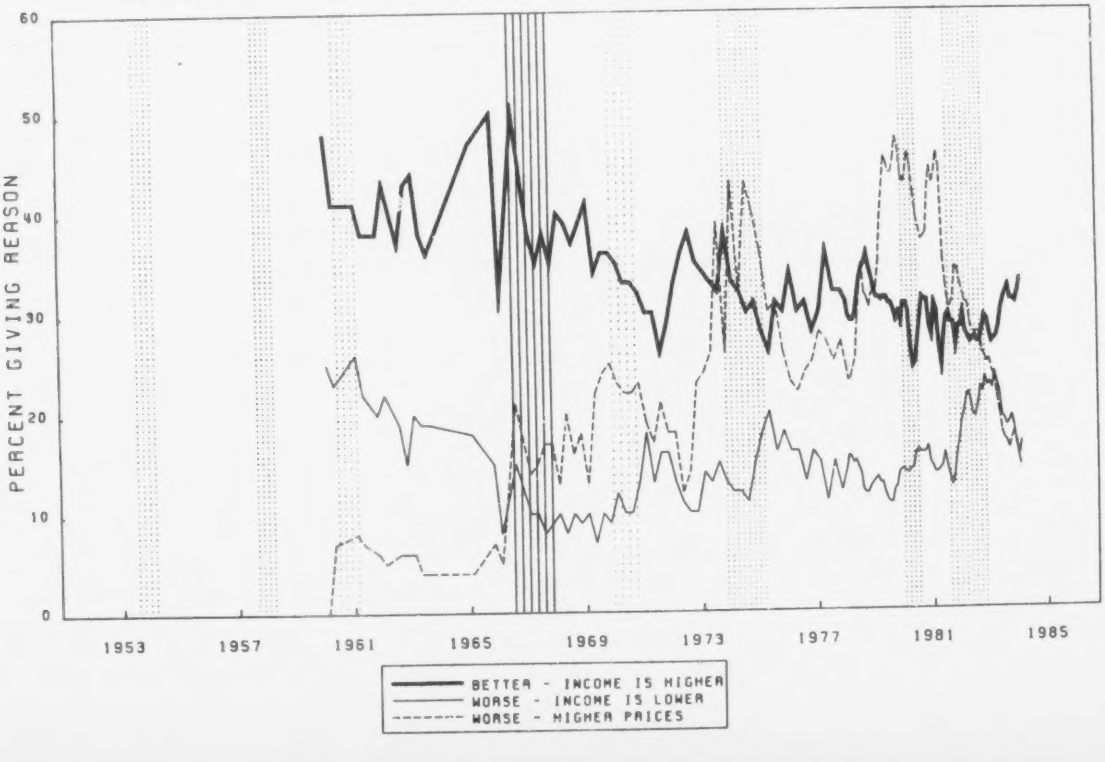


CHART 5 - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT PERSONAL FINANCIAL SITUATION



## TABLE 5

## SELECTED REASONS FOR OPINIONS ABOUT PERSONAL FINANCIAL SITUATION +

| | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| BETTER OFF THAN YEAR AGO: | | | | | | | | | | | | | |
| Income is higher | 26% | 27% | 29% | 29% | 32% | 32% | 31% | 34% | 28% | 31% | 33% | 31% | 35% |
| WORSE OFF THAN YEAR AGO: | | | | | | | | | | | | | |
| Income is lower | 23 | 26 | 19 | 20 | 19 | 18 | 18 | 20 | 20 | 15 | 14 | 17 | 19 |
| Higher prices | 22 | 24 | 18 | 17 | 18 | 16 | 16 | 16 | 19 | 18 | 13 | 14 | 15 |

Responses to the query: "Why do you say so?" following the question on Table 4.

+ : May add to more than 100% due to multiple mentions.

CHART 6 - RECENT CHANGES
EXPECTED CHANGE IN FINANCIAL SITUATION

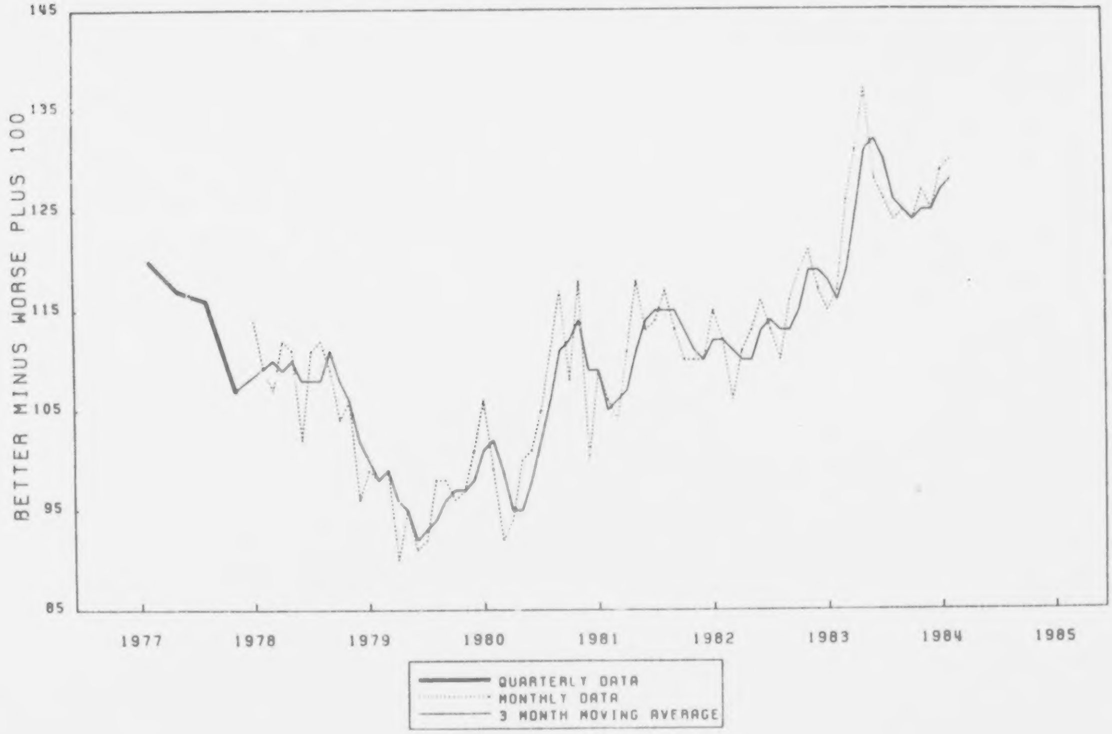
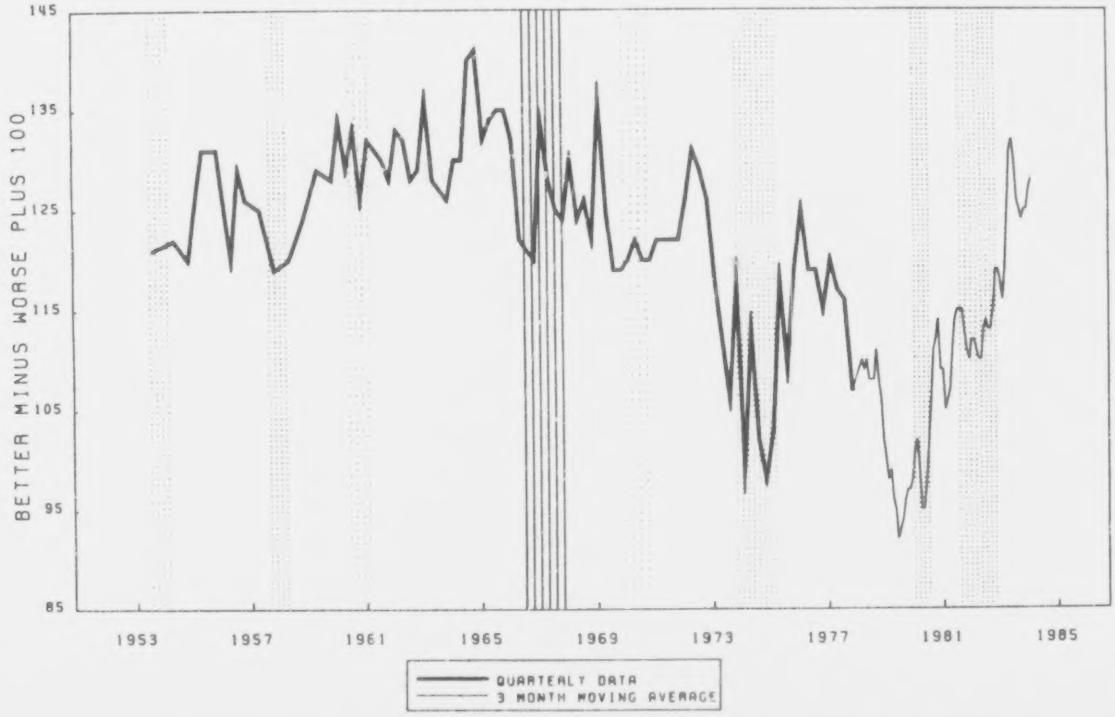


CHART 6 - HISTORICAL SERIES
EXPECTED CHANGE IN FINANCIAL SITUATION



## TABLE 6

## EXPECTED CHANGE IN FINANCIAL SITUATION

| | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| BETTER OFF | 33% | 39% | 40% | 43% | 37% | 35% | 37% | 37% | 37% | 38% | 35% | 38% | 41% |
| SAME | 47 | 46 | 47 | 47 | 52 | 52 | 46 | 48 | 46 | 47 | 51 | 50 | 44 |
| WORSE OFF | 16 | 13 | 9 | 6 | 9 | 9 | 13 | 12 | 13 | 11 | 10 | 9 | 11 |
| DK,NA | 4 | 2 | 4 | 4 | 2 | 4 | 4 | 3 | 4 | 4 | 4 | 3 | 4 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 709 | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 |

The question was: "Now looking ahead--do you think that a year from now you (and your family living there) will be better off financially, or worse off, or just about the same as now?"

CHART 7 - RECENT CHANGES
TREND IN PERSONAL FINANCIAL SITUATION

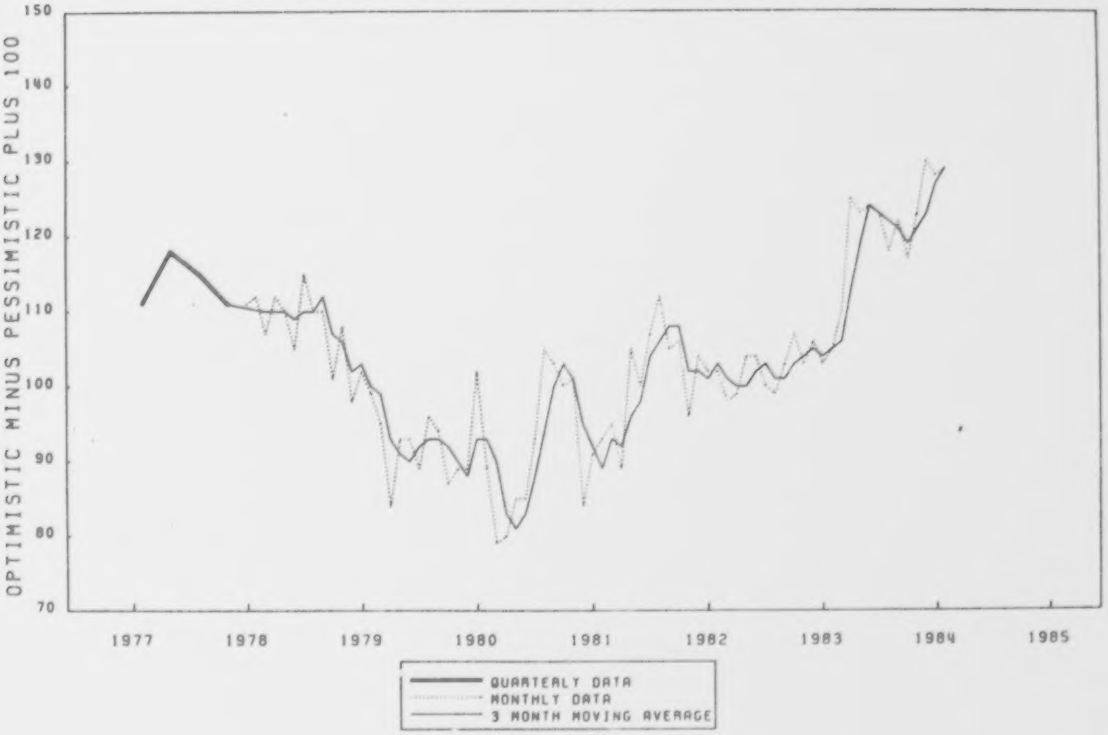
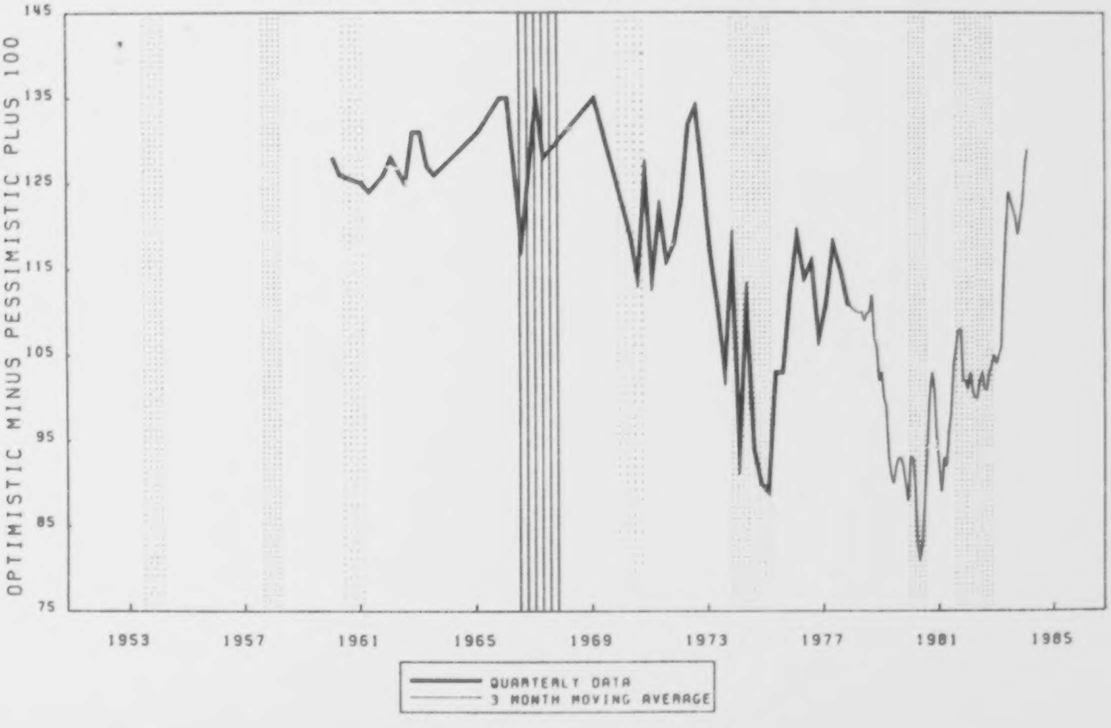


CHART 7 - HISTORICAL SERIES
TREND IN PERSONAL FINANCIAL SITUATION



## TABLE 7

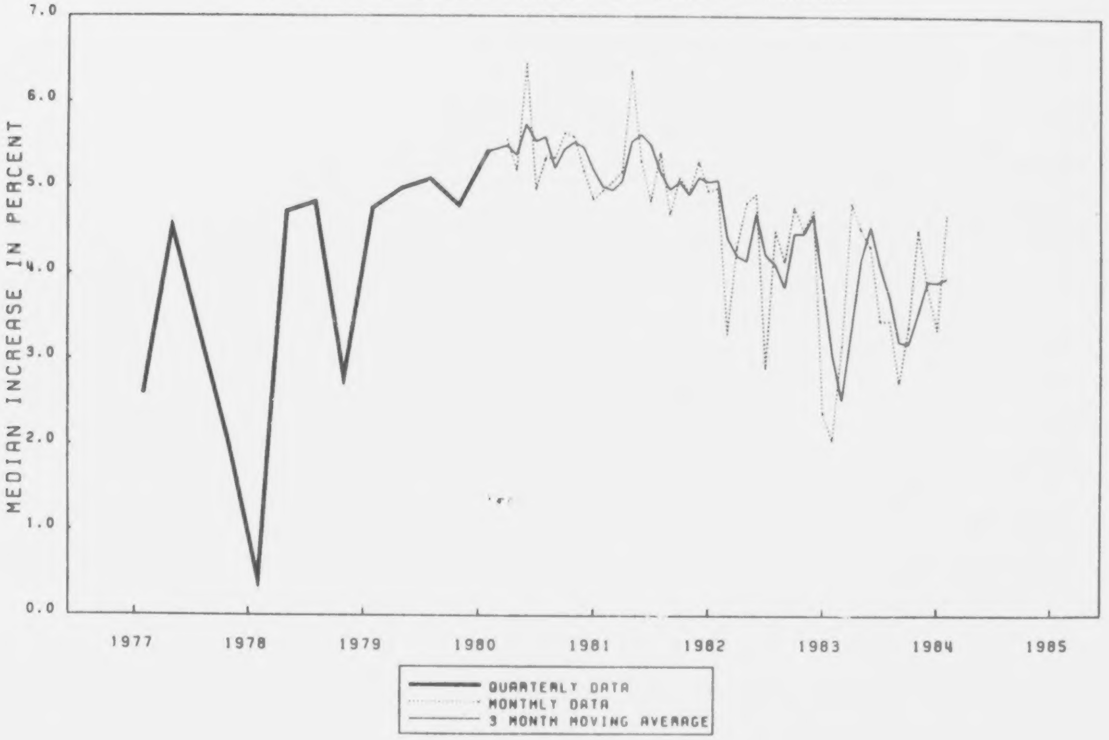
## TREND IN PERSONAL FINANCIAL SITUATION

| | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| PERSONAL FINANCIAL PROGRESS: | | | | | | | | | | | | | |
| Continuous increase (a) | 13% | 16% | 19% | 18% | 19% | 20% | 19% | 18% | 19% | 20% | 22% | 22% | 24% |
| Intermittent increase (b) | 22 | 22 | 26 | 25 | 26 | 24 | 23 | 27 | 23 | 23 | 26 | 26 | 25 |
| Remain unchanged (c) | 16 | 16 | 18 | 18 | 20 | 21 | 19 | 18 | 18 | 21 | 22 | 18 | 17 |
| Intermittent decline (d) | 20 | 21 | 15 | 18 | 17 | 16 | 18 | 17 | 18 | 15 | 13 | 16 | 16 |
| Continuous decline (e) | 10 | 7 | 5 | 2 | 4 | 5 | 6 | 6 | 7 | 5 | 5 | 4 | 4 |
| Mixed change (f) | 14 | 16 | 13 | 15 | 11 | 10 | 10 | 11 | 11 | 11 | 8 | 10 | 10 |
| DK,NA | 5 | 2 | 4 | 4 | 3 | 4 | 5 | 3 | 4 | 5 | 4 | 4 | 4 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 709 | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 |

Combination of the responses to the questions on Tables 4 and 6.

Key: (a) Better off financially than a year ago/Better off a year from now
(b) Better/Same or Same/Better
(c) Same/Same
(d) Worse/Same or Same/Worse
(e) Worse/Worse
(f) Worse/Better or Better/Worse

CHART 8 - RECENT CHANGES
MEDIAN EXPECTED CHANGE IN FAMILY INCOME



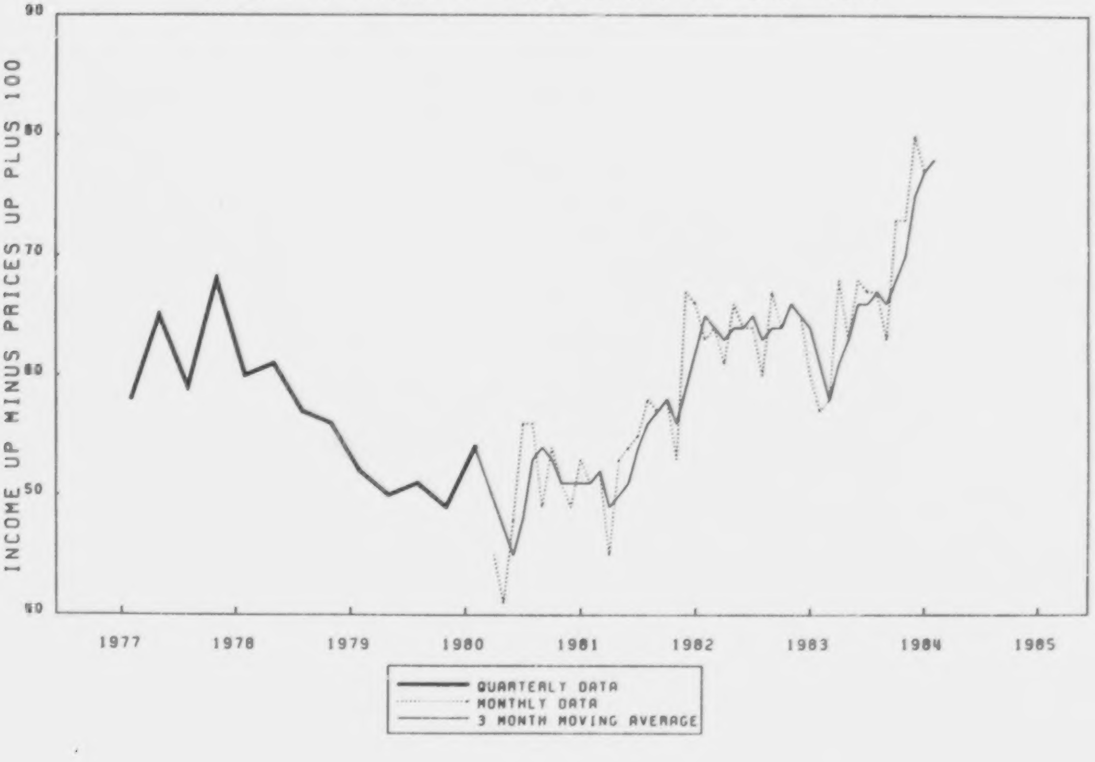
## TABLE 8

## EXPECTED FAMILY INCOME CHANGE DURING THE NEXT 12 MONTHS

| | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| EXPECT INCREASE: | | | | | | | | | | | | | |
| 1-4% | 7% | 7% | 9% | 8% | 8% | 9% | 13% | 11% | 11% | 12% | 12% | 15% | 13% |
| 5% | 9 | 10 | 12 | 9 | 11 | 12 | 10 | 12 | 10 | 9 | 10 | 11 | 13 |
| 6-9% | 8 | 10 | 12 | 8 | 11 | 10 | 10 | 5 | 10 | 8 | 10 | 8 | 10 |
| 10-24% | 16 | 16 | 19 | 20 | 16 | 15 | 15 | 14 | 15 | 19 | 16 | 16 | 19 |
| 25% or more | 8 | 7 | 7 | 9 | 8 | 7 | 8 | 9 | 7 | 8 | 7 | 7 | 6 |
| DK how much up | 4 | 5 | 4 | 5 | 4 | 4 | 4 | 6 | 5 | 7 | 5 | 4 | 4 |
| EXPECT SAME | 30 | 26 | 25 | 26 | 28 | 28 | 23 | 30 | 26 | 23 | 26 | 27 | 22 |
| EXPECT DOWN | 16 | 17 | 10 | 14 | 13 | 13 | 14 | 12 | 13 | 11 | 12 | 10 | 11 |
| DK,NA | 2 | 2 | 2 | 1 | 1 | 2 | 3 | 1 | 3 | 3 | 2 | 2 | 2 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 709 | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 |

The questions were: "During the next 12 months, do you expect your (family) income to be higher or lower than during the past year?" and "By about what percent do you expect your (family) income to increase during the next 12 months?"

CHART 9 - RECENT CHANGES
INCOME OR PRICES UP MORE DURING THE LAST YEAR



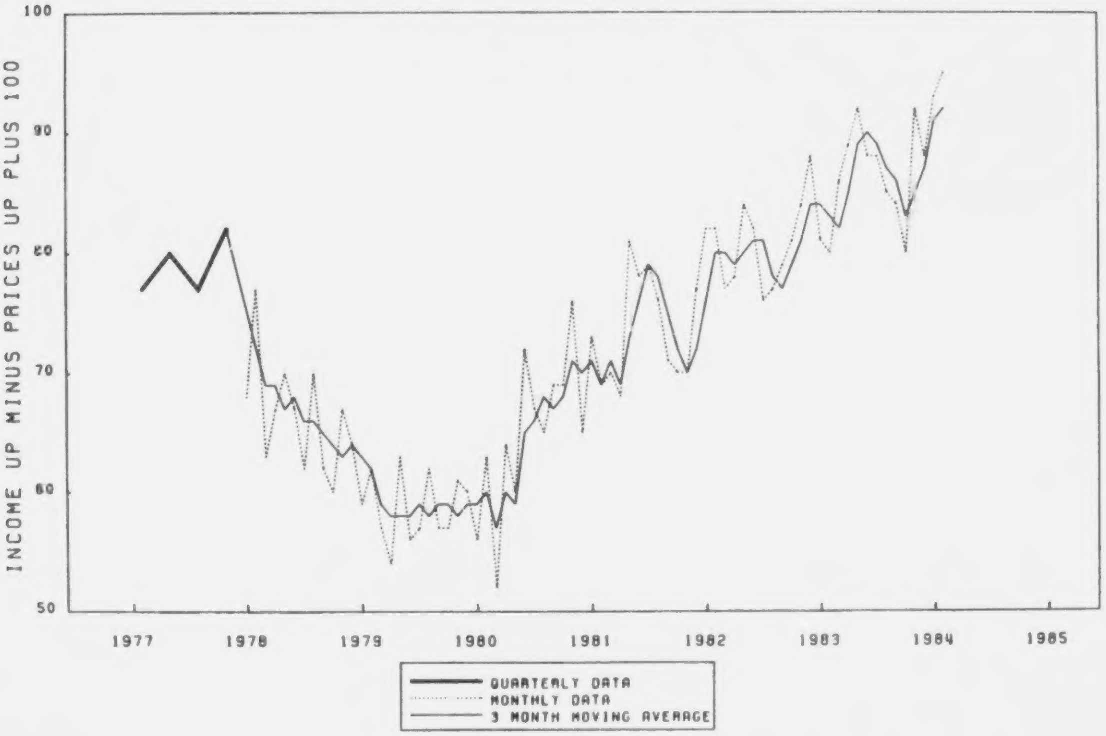
## TABLE 9

## PAST CHANGE IN REAL FAMILY INCOME

| | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| INCOME UP MORE | 14% | 16% | 17% | 16% | 17% | 18% | 20% | 15% | 20% | 22% | 23% | 23% | 22% |
| INCOME UP SAME | 27 | 25 | 32 | 30 | 32 | 29 | 26 | 31 | 32 | 28 | 32 | 29 | 32 |
| PRICES UP MORE | 57 | 58 | 49 | 53 | 49 | 51 | 53 | 52 | 47 | 49 | 43 | 46 | 44 |
| DK,NA | 2 | 1 | 2 | 1 | 2 | 2 | 1 | 2 | 1 | 1 | 2 | 2 | 2 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 709 | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 |

The question was: "During the last year or two, would you say that your (family) income went up more than prices, went up about the same as prices, or went up less than prices?"

CHART 10 - RECENT CHANGES
INCOME OR PRICES UP MORE NEXT YEAR



## TABLE 10

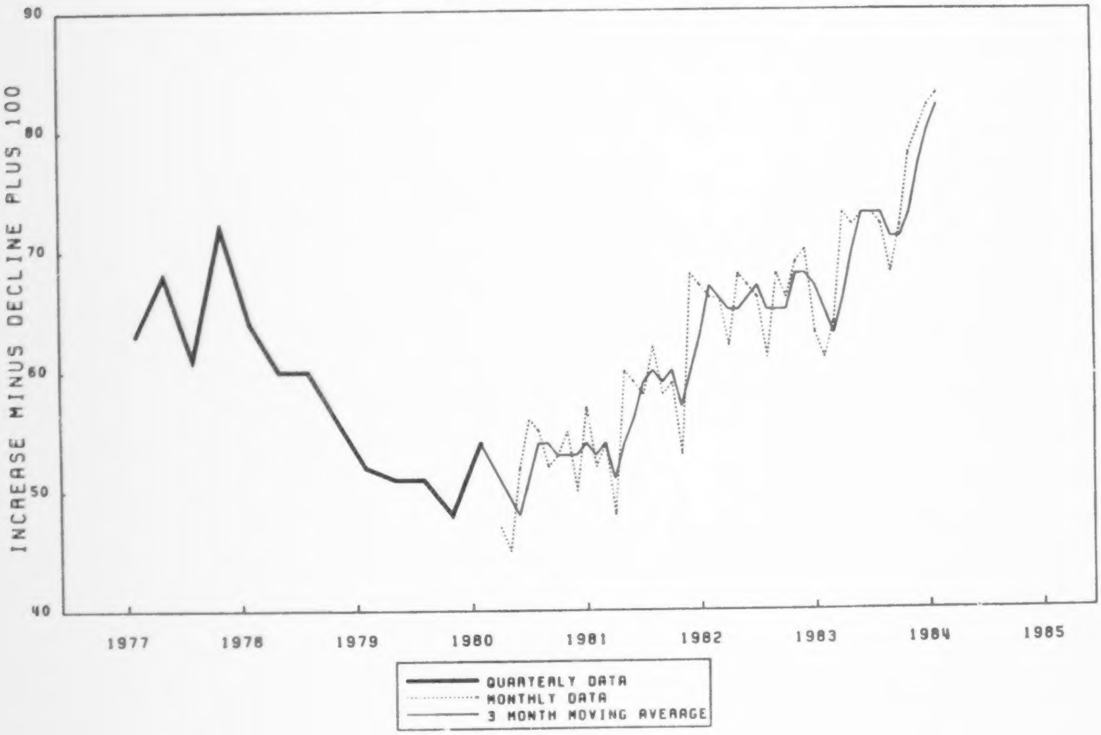
## EXPECTED CHANGE IN REAL FAMILY INCOME

| | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| INCOME UP MORE | 16% | 21% | 19% | 24% | 20% | 22% | 19% | 19% | 18% | 23% | 20% | 23% | 24% |
| INCOME UP SAME | 44 | 41 | 46 | 42 | 46 | 41 | 43 | 44 | 41 | 42 | 45 | 45 | 45 |
| PRICES UP MORE | 36 | 35 | 30 | 32 | 32 | 34 | 34 | 35 | 38 | 31 | 32 | 30 | 29 |
| DK,NA | 4 | 3 | 5 | 2 | 2 | 3 | 4 | 2 | 3 | 4 | 3 | 2 | 2 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 709 | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 |

The question was: "How about the next year or two--do you expect that your (family) income will go up more than prices will go up, about the same, or less than prices will go up?"

CHART 11 - RECENT CHANGES

TREND IN INCOME AND PRICE COMPARISON



## TABLE 11

## TREND IN FAMILY INCOME AND PRICES COMPARISONS

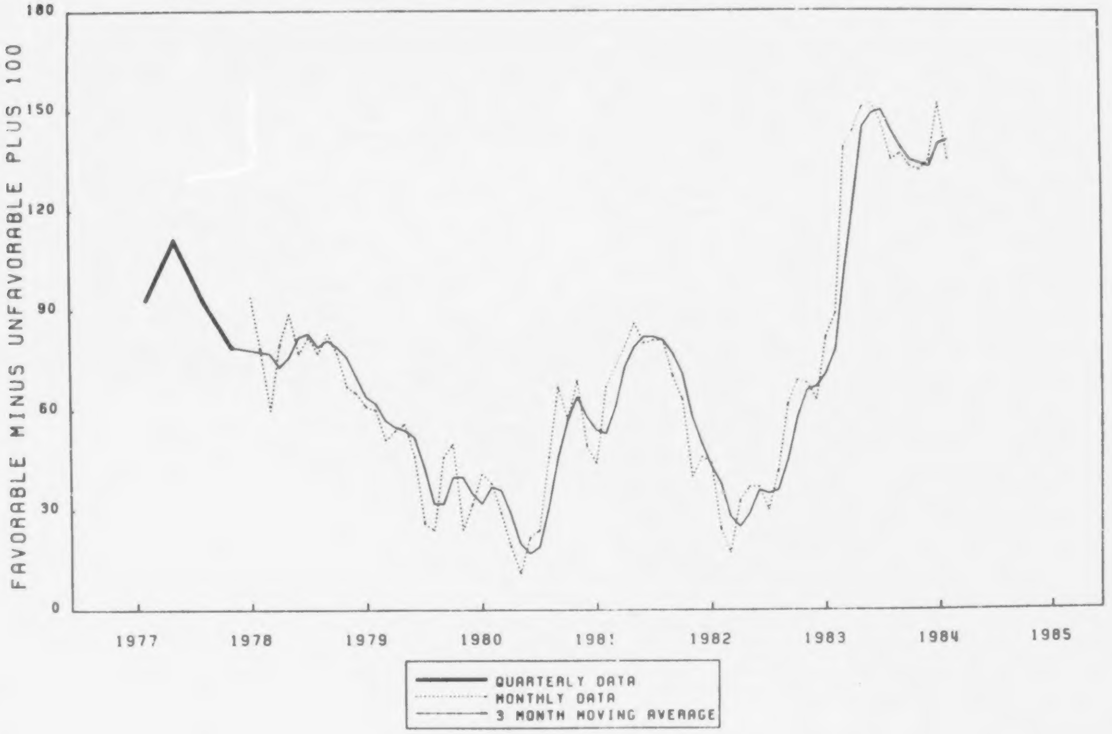
| | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| REAL INCOME PROGRESS: | | | | | | | | | | | | | |
| Continuous increase (a) | 8% | 10% | 9% | 10% | 9% | 10% | 10% | 8% | 11% | 13% | 12% | 12% | 13% |
| Intermittent increase (b) | 8 | 8 | 11 | 10 | 12 | 13 | 13 | 10 | 10 | 12 | 14 | 14 | 13 |
| Remain unchanged (c) | 17 | 15 | 21 | 19 | 21 | 17 | 16 | 21 | 20 | 17 | 19 | 19 | 20 |
| Intermittent decline (d) | 27 | 27 | 23 | 23 | 23 | 23 | 24 | 23 | 21 | 23 | 23 | 21 | 22 |
| Continuous decline (e) | 28 | 27 | 24 | 25 | 25 | 27 | 27 | 27 | 28 | 24 | 23 | 23 | 21 |
| Mixed change (f) | 7 | 9 | 7 | 11 | 7 | 7 | 6 | 8 | 7 | 7 | 6 | 8 | 6 |
| DK,NA | 5 | 4 | 5 | 2 | 3 | 3 | 4 | 3 | 3 | 4 | 3 | 3 | 5 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 709 | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 |

Combination of the responses to the questions on Tables 9 and 10.

Key: (a) Income up more last year/Income up more next year
(b) Income up more/Same or Income up same/More
(c) Income up same/Same
(d) Prices up more/Same or Prices up same/More
(e) Prices up more/More
(f) Income up more/Prices up more or Prices up more/Income up more

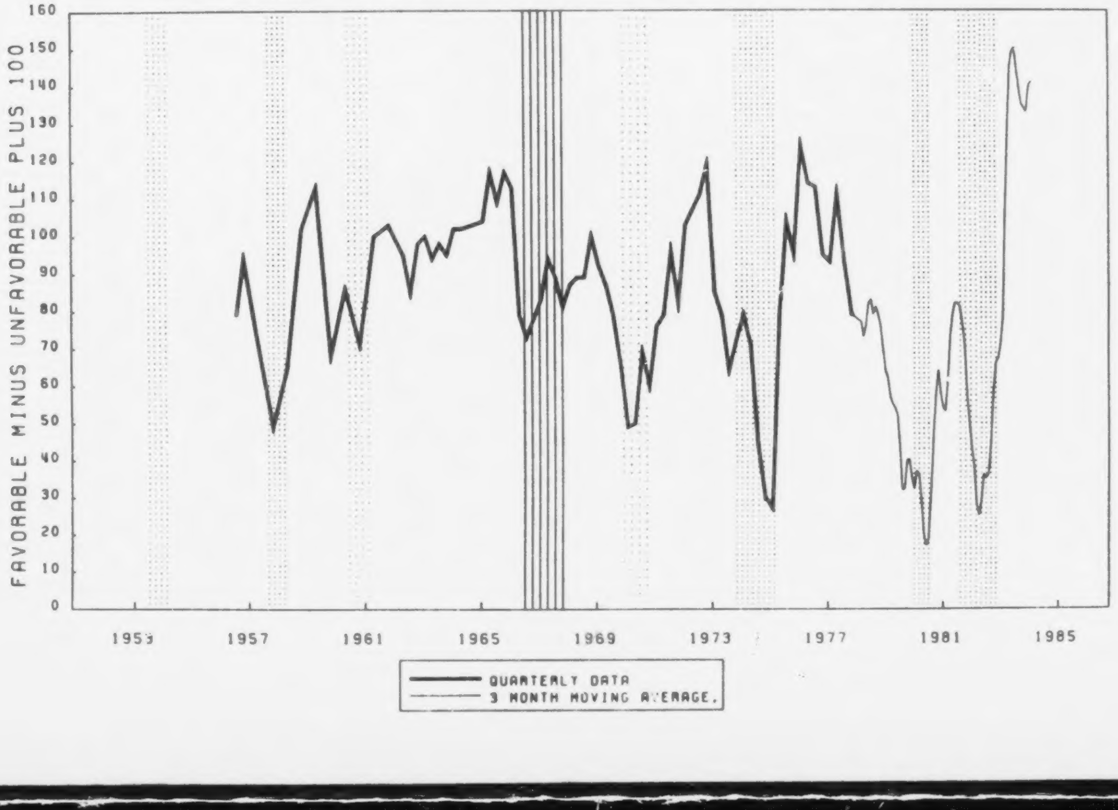
## CHART 12 - RECENT CHANGES

## NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS



## CHART 12 - HISTORICAL SERIES

## NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS



## TABLE 12

## NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS +

| | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| FAVORABLE NEWS | 49% | 79% | 76% | 80% | 83% | 74% | 69% | 64% | 63% | 62% | 60% | 78% | 66% |
| UNFAVORABLE NEWS | 60 | 40 | 32 | 29 | 31 | 28 | 34 | 27 | 30 | 30 | 25 | 26 | 31 |
| NO MENTIONS | 32 | 28 | 32 | 31 | 27 | 34 | 34 | 43 | 41 | 39 | 42 | 33 | 38 |

The questions were: "During the last few months, have you heard of any favorable or unfavorable changes in business conditions?" and "What did you hear?"

+ : May add to more than 100% due to multiple mentions.

CHART 13A - HISTORICAL SERIES

TYPE OF NEWS HEARD ABOUT CHANGES IN BUSINESS CONDITIONS

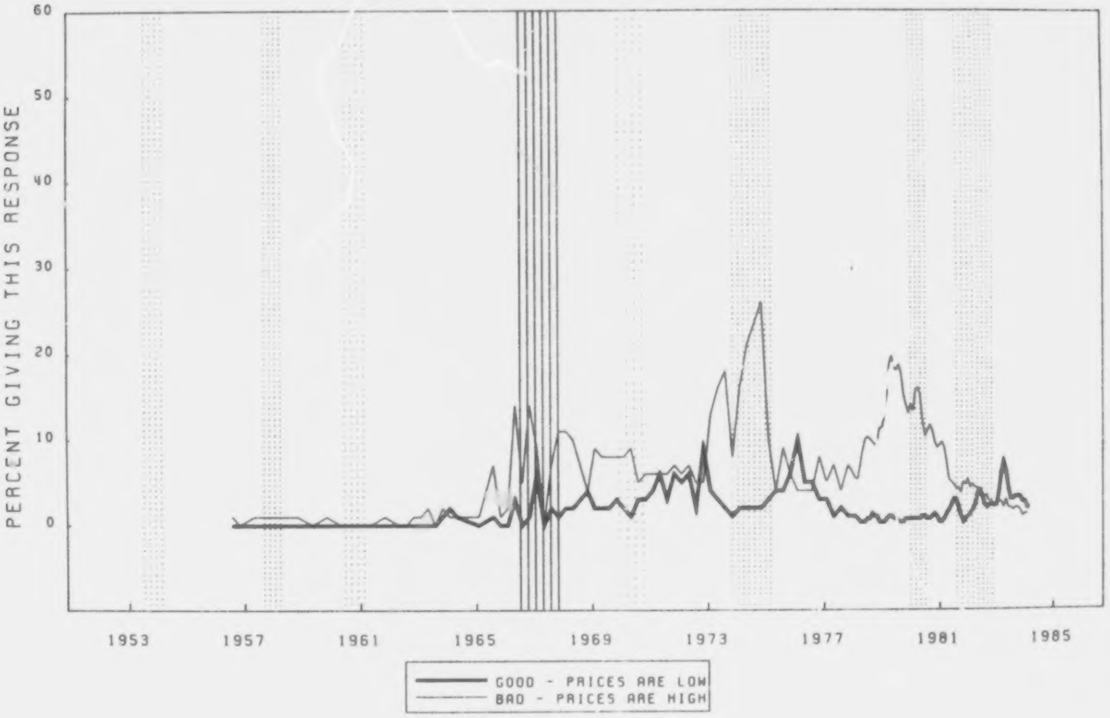
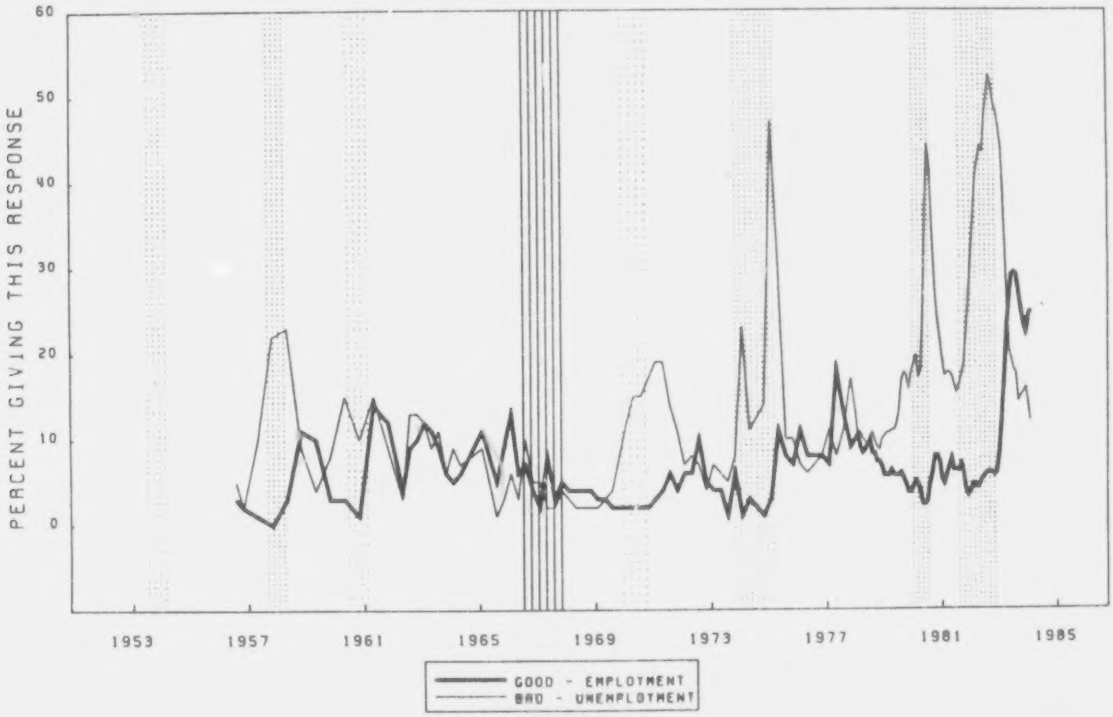


CHART 13B - HISTORICAL SERIES

TYPE OF NEWS HEARD ABOUT CHANGES IN BUSINESS CONDITIONS



## TABLE 13

## SELECTED ITEMS OF NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS +

| | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| FAVORABLE NEWS: | | | | | | | | | | | | | |
| Government; elections | 2% | 2% | 2% | 1% | 1% | 2% | 2% | 1% | 2% | 2% | 1% | 3% | 2% |
| Employment | 17 | 22 | 29 | 28 | 31 | 29 | 27 | 25 | 23 | 22 | 22 | 27 | 25 |
| Consumer demand high | 6 | 8 | 8 | 11 | 12 | 11 | 13 | 11 | 11 | 13 | 12 | 18 | 15 |
| Prices are low | 6 | 9 | 7 | 3 | 3 | 3 | 3 | 4 | 3 | 3 | 2 | 3 | 1 |
| Credit is easy | 9 | 17 | 15 | 16 | 17 | 11 | 8 | 8 | 7 | 5 | 4 | 5 | 4 |
| UNFAVORABLE NEWS: | | | | | | | | | | | | | |
| Government; elections | 4 | 2 | 3 | 3 | 2 | 2 | 3 | 1 | 1 | 2 | 3 | 2 | 5 |
| Unemployment | 39 | 24 | 20 | 17 | 21 | 16 | 16 | 11 | 18 | 17 | 13 | 13 | 10 |
| Consumer demand low | 3 | 3 | 3 | 2 | 2 | 2 | 2 | 1 | 1 | 2 | * | 2 | 1 |
| Prices are high | 3 | 2 | 1 | 3 | 2 | 1 | 2 | 3 | 1 | 1 | 1 | 2 | 1 |
| Credit is tight | 1 | * | 1 | 1 | 1 | 3 | 6 | 4 | 2 | 1 | 2 | 1 | 2 |
| Energy crisis | * | * | * | * | * | * | * | * | * | * | * | * | * |

The questions were: "During the last few months, have you heard of any favorable or unfavorable changes in business conditions?" and "What did you hear?"

+ : May add to more than 100% due to multiple mentions.

* : Less than half of one percent.

CHART 14 - RECENT CHANGES
CURRENT BUSINESS CONDITIONS COMPARED WITH A YEAR AGO

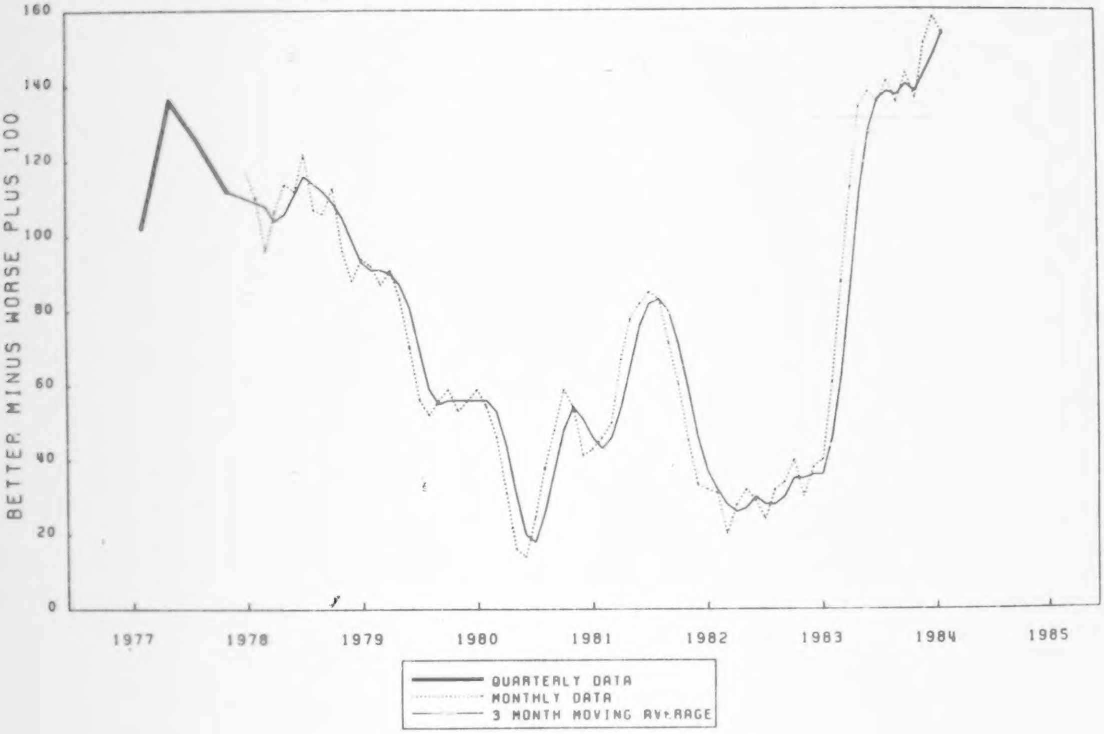
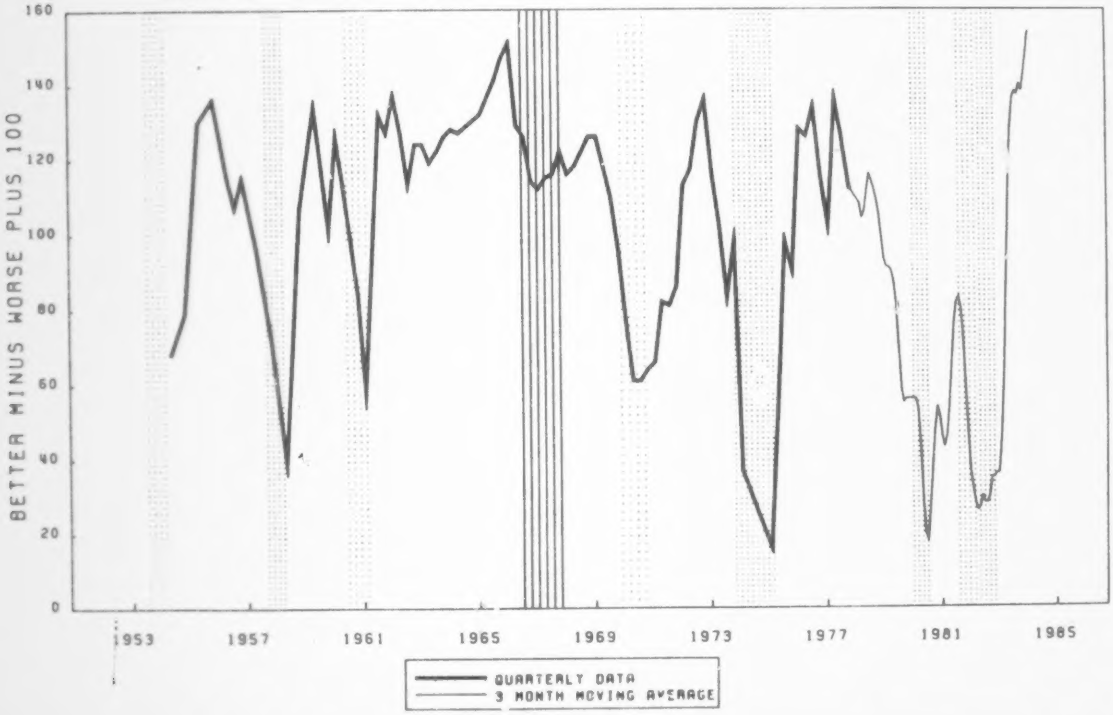


CHART 14 - HISTORICAL SERIES
CURRENT BUSINESS CONDITIONS COMPARED WITH A YEAR AGO



## TABLE 14

## CURRENT BUSINESS CONDITIONS COMPARED TO A YEAR AGO

| | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| BETTER NOW | 26% | 39% | 51% | 62% | 64% | 63% | 66% | 62% | 66% | 63% | 71% | 75% | 72% |
| SAME | 8 | 10 | 10 | 10 | 9 | 8 | 8 | 10 | 9 | 8 | 8 | 6 | 8 |
| WORSE NOW | 65 | 51 | 38 | 28 | 26 | 28 | 25 | 27 | 23 | 27 | 20 | 17 | 19 |
| DK,NA | 1 | * | 1 | * | 1 | 1 | 1 | 1 | 2 | 2 | 1 | 2 | 1 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 709 | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 |

The question was: "Would you say that at the present time business conditions are better or worse than they were a year ago?"

* : Less than half of one percent.

CHART 15 - RECENT CHANGES
EXPECTED CHANGE IN BUSINESS CONDITIONS IN A YEAR

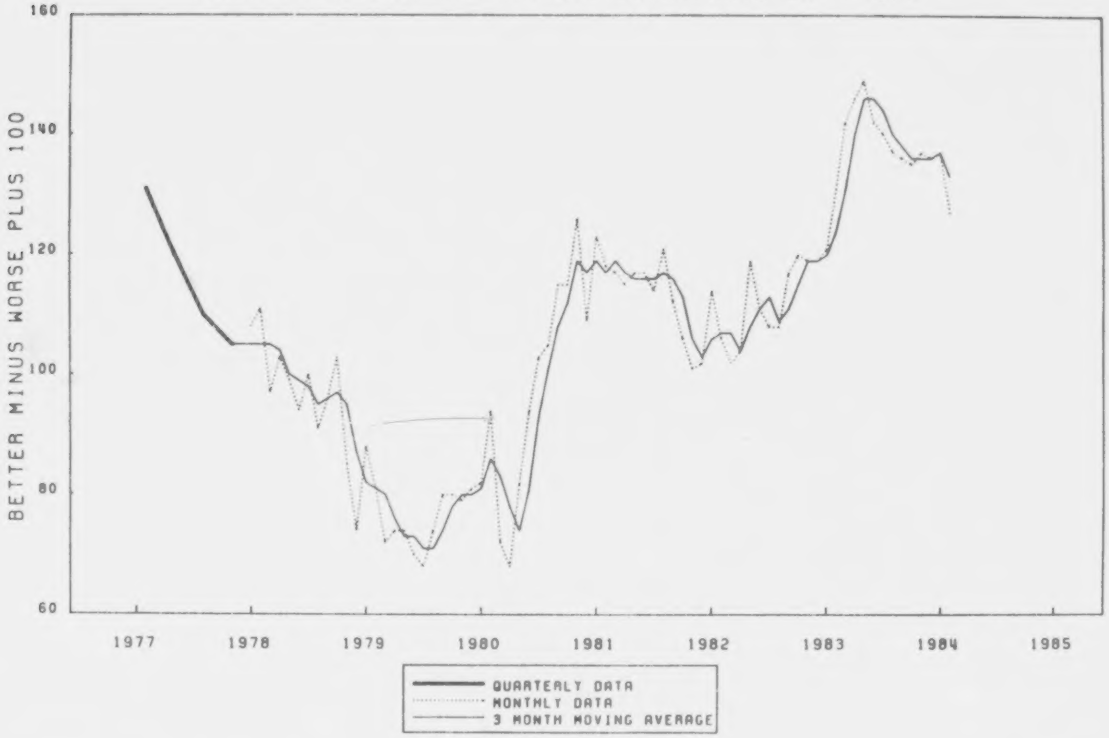
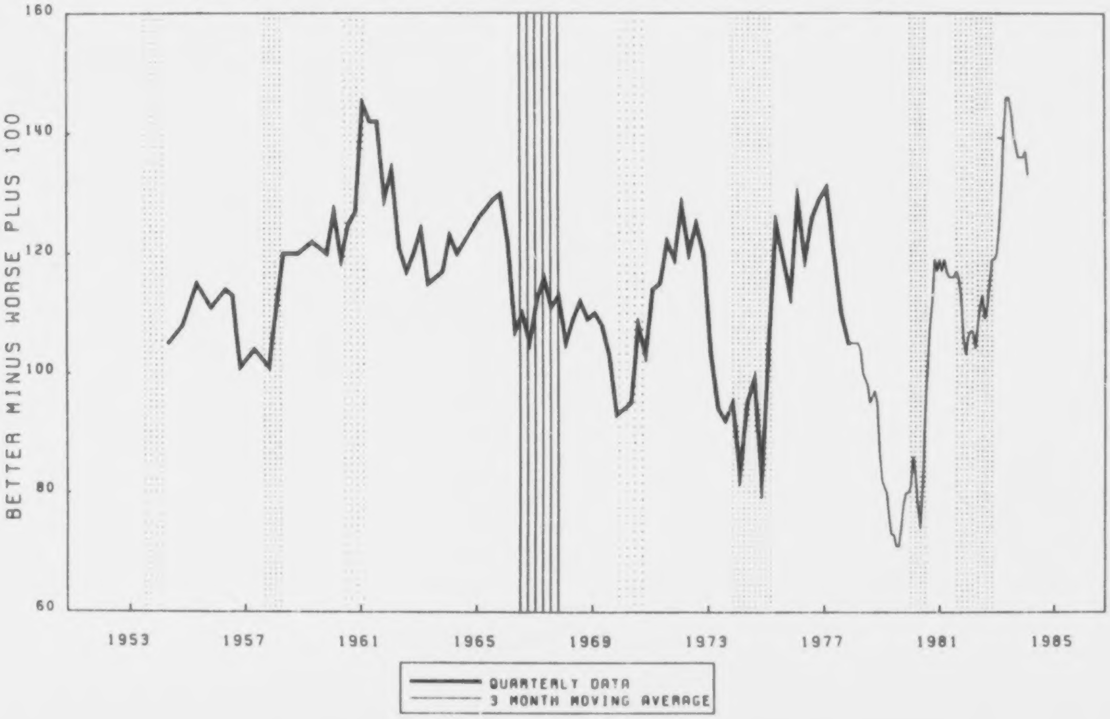


CHART 15 - HISTORICAL SERIES
EXPECTED CHANGE IN BUSINESS CONDITIONS IN A YEAR



## TABLE 15

## EXPECTED CHANGE IN BUSINESS CONDITIONS IN A YEAR

| | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| BETTER | 45% | 51% | 53% | 55% | 49% | 48% | 47% | 46% | 46% | 46% | 44% | 46% | 38% |
| SAME | 40 | 39 | 38 | 38 | 42 | 42 | 42 | 42 | 41 | 43 | 45 | 43 | 48 |
| WORSE | 14 | 9 | 7 | 6 | 7 | 8 | 10 | 10 | 11 | 9 | 8 | 9 | 11 |
| DK,NA | 1 | 1 | 2 | 1 | 2 | 2 | 1 | 2 | 2 | 2 | 3 | 2 | 3 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 709 | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 |

The question was: "And how about a year from now, do you expect that in the country as a whole business conditions will be better, or worse than they are at present, or just about the same?"

CHART 16A - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUSINESS CONDITIONS IN A YEAR

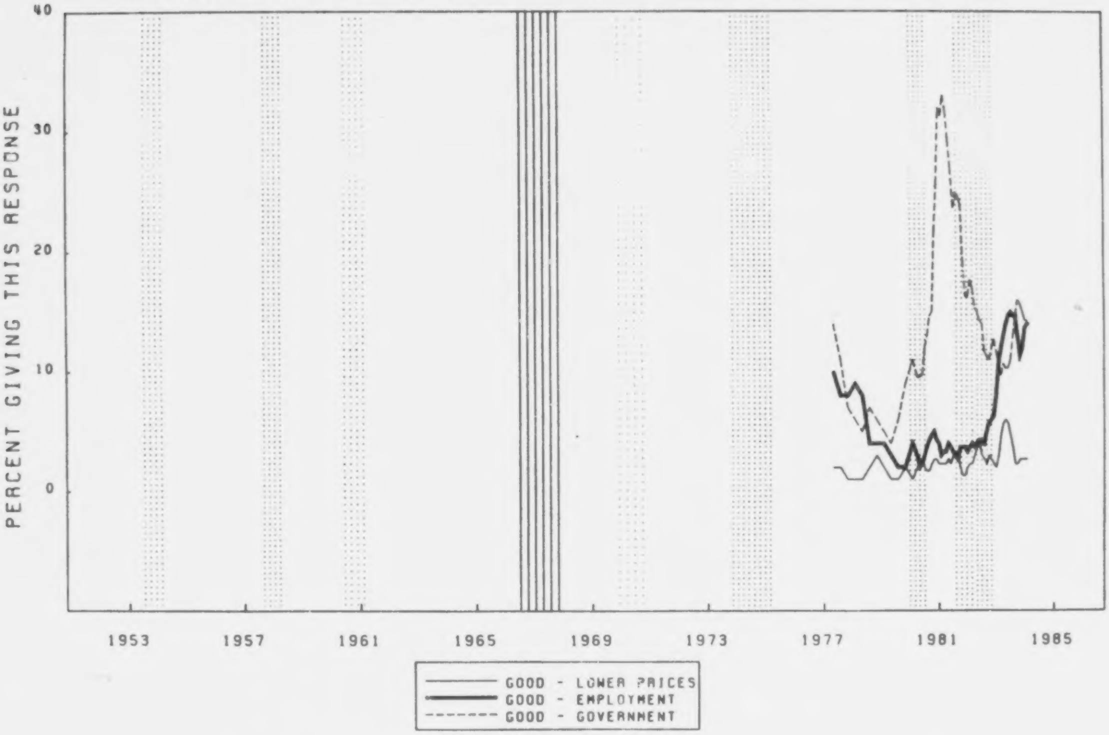
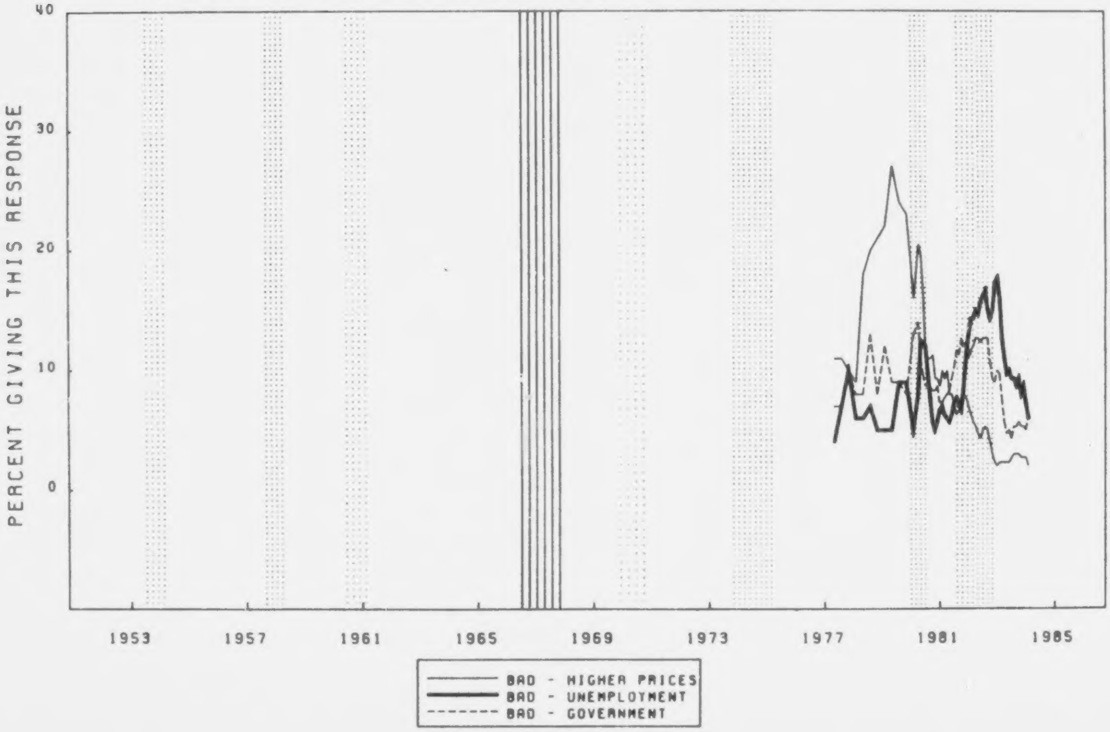


CHART 16B - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUSINESS CONDITIONS IN A YEAR



## TABLE 16

## REASONS FOR OPINIONS ABOUT CHANGES IN BUSINESS CONDITIONS IN A YEAR +

| | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| FAVORABLE REASONS: | | | | | | | | | | | | | |
| Government; elections | 11% | 10% | 11% | 10% | 10% | 13% | 16% | 15% | 17% | 15% | 13% | 15% | 15% |
| Employment | 13 | 12 | 14 | 16 | 14 | 15 | 15 | 14 | 10 | 10 | 16 | 15 | 11 |
| Higher consumer demand | 7 | 6 | 9 | 10 | 9 | 7 | 6 | 7 | 8 | 8 | 8 | 8 | 5 |
| Lower prices | 4 | 7 | 6 | 5 | 6 | 3 | 2 | 2 | 3 | 2 | 3 | 3 | 1 |
| Easier credit | 12 | 13 | 14 | 12 | 12 | 7 | 6 | 5 | 6 | 4 | 4 | 3 | 4 |
| UNFAVORABLE REASONS: | | | | | | | | | | | | | |
| Government; elections | 7 | 5 | 5 | 4 | 6 | 4 | 6 | 6 | 5 | 5 | 6 | 4 | 9 |
| Unemployment | 13 | 10 | 10 | 9 | 11 | 8 | 9 | 9 | 10 | 8 | 8 | 6 | 4 |
| Lower consumer demand | 4 | 2 | 4 | 2 | 2 | 4 | 3 | 1 | 3 | 2 | 2 | 2 | 1 |
| Higher prices | 3 | 2 | 2 | 3 | 2 | 3 | 4 | 2 | 3 | 3 | 2 | 3 | 1 |
| Tighter credit | 2 | 1 | 2 | 2 | 3 | 4 | 3 | 2 | 2 | 2 | 1 | 2 | 4 |
| Energy crisis | * | * | * | * | * | * | * | * | * | * | * | * | * |

The question was: "Why do you expect business conditions to be better/the same/worse a year from now?" following the question on table 15.

+ : May add to more than 100% due to multiple mentions.

* : Less than half of one percent.

CHART 17 - RECENT CHANGES

TREND IN PAST AND EXPECTED BUSINESS CONDITIONS

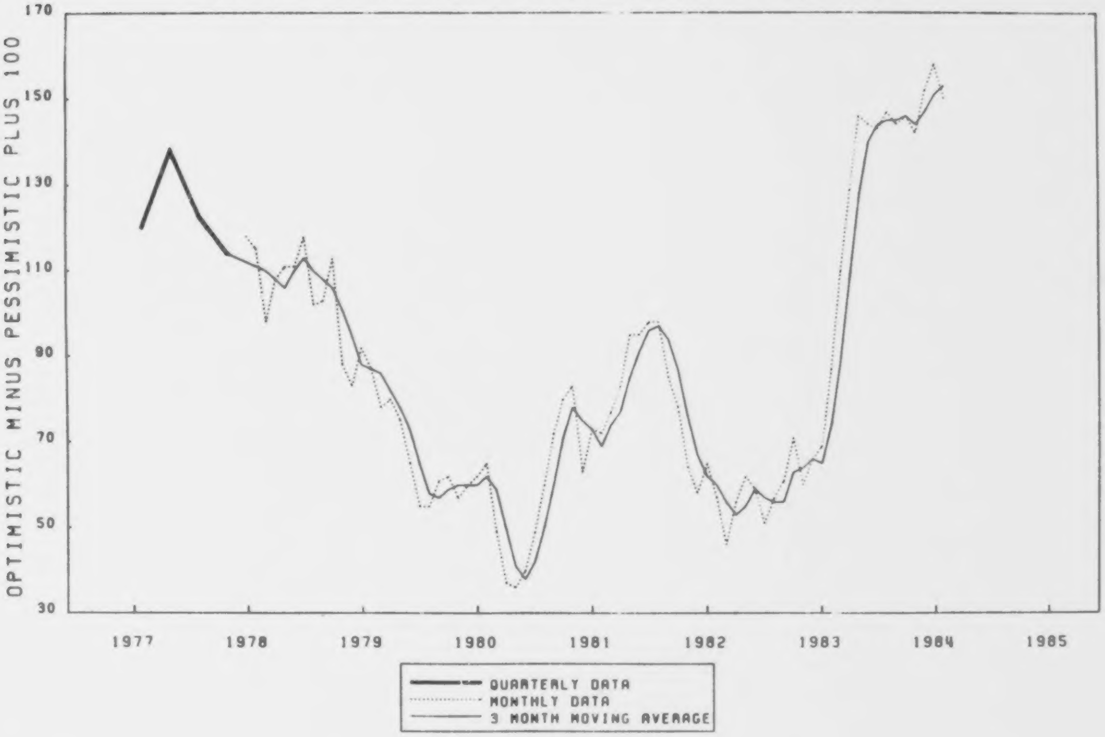
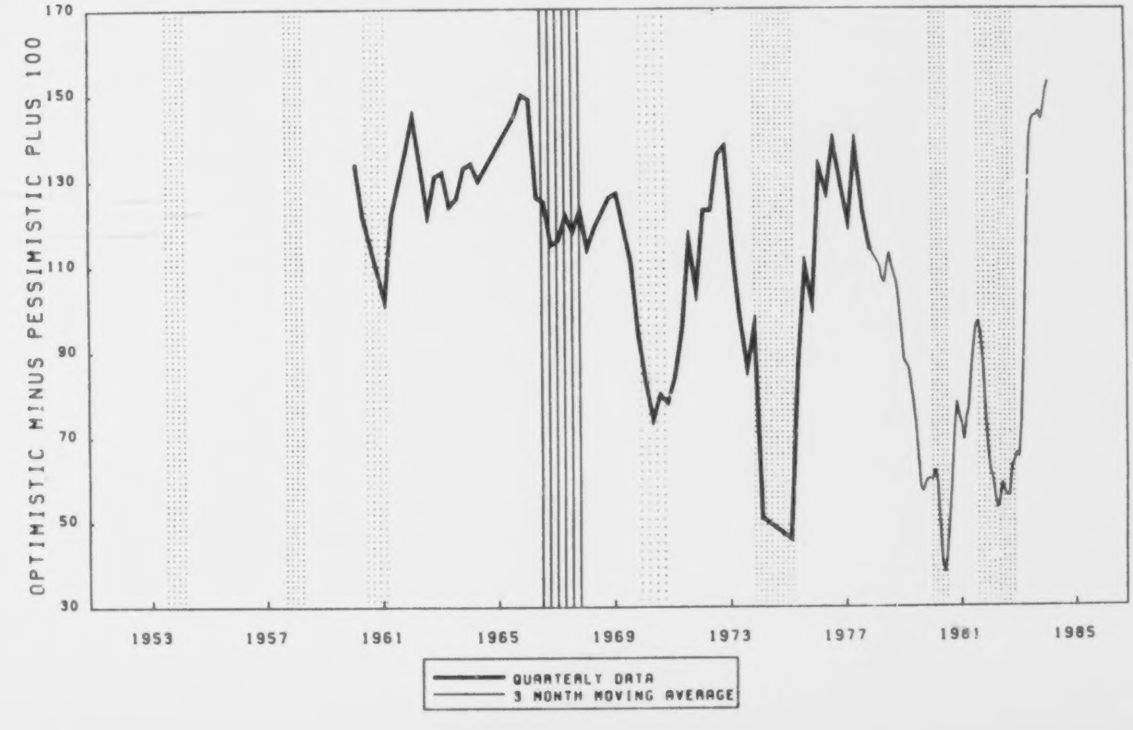


CHART 17 - HISTORICAL SERIES

TREND IN PAST AND EXPECTED BUSINESS CONDITIONS



## TABLE 17

## TREND IN PAST AND EXPECTED CHANGES IN BUSINESS CONDITIONS

| | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| TREND: | | | | | | | | | | | | | |
| Continuous increase (a) | 18% | 28% | 36% | 42% | 39% | 39% | 38% | 34% | 39% | 36% | 38% | 41% | 32% |
| Intermittent increase (b) | 11 | 15 | 18 | 23 | 26 | 24 | 27 | 28 | 26 | 27 | 30 | 31 | 34 |
| Remain unchanged (c) | 4 | 4 | 5 | 5 | 5 | 5 | 6 | 7 | 5 | 4 | 6 | 4 | 5 |
| Intermittent decline (d) | 29 | 25 | 19 | 14 | 16 | 15 | 12 | 12 | 13 | 17 | 12 | 10 | 12 |
| Continuous decline (e) | 13 | 8 | 6 | 5 | 5 | 5 | 6 | 6 | 6 | 4 | 4 | 4 | 4 |
| Mixed change (f) | 23 | 18 | 14 | 10 | 7 | 9 | 9 | 10 | 7 | 9 | 7 | 7 | 10 |
| DK,NA | 2 | 2 | 2 | 1 | 2 | 3 | 2 | 3 | 4 | 3 | 3 | 3 | 3 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 709 | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 |

Combination of the responses to the questions on Tables 14 and 15.

Key: (a) Better than a year ago/Better a year from now
(b) Better/Same or Same/Better
(c) Same/Same
(d) Worse/Same or Same/Worse
(e) Worse/Worse
(f) Worse/Better or Better/Worse

CHART 18 - RECENT CHANGES
BUSINESS CONDITIONS EXPECTED DURING THE NEXT TWELVE MONTHS

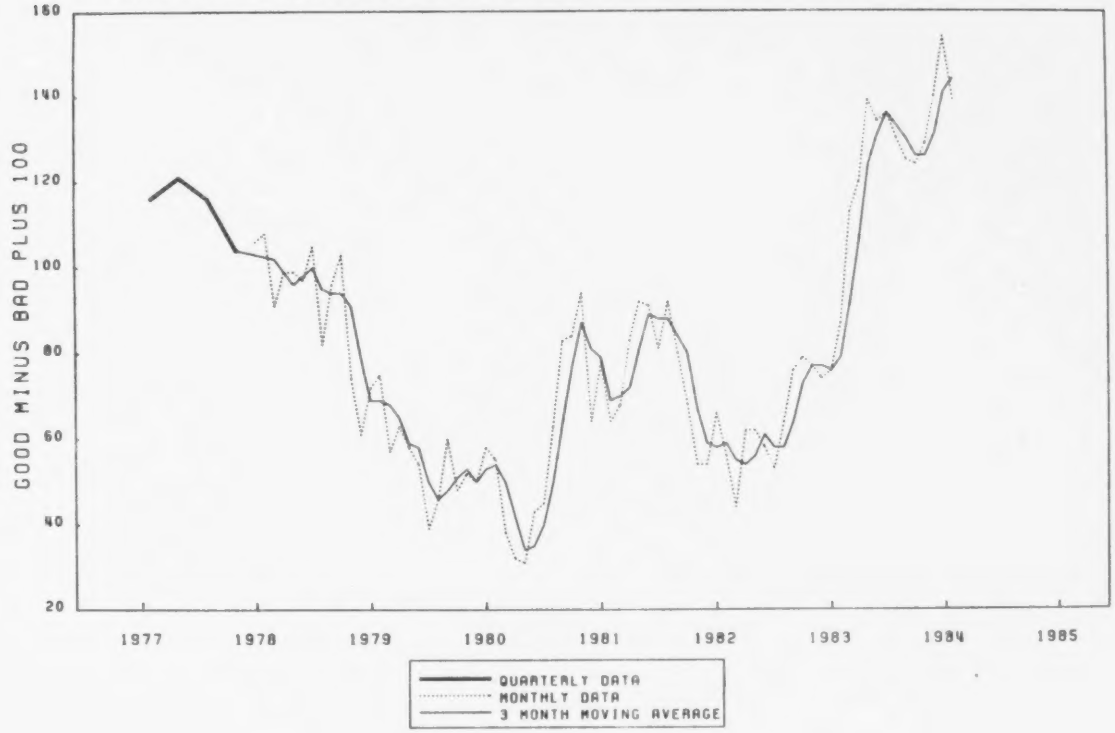
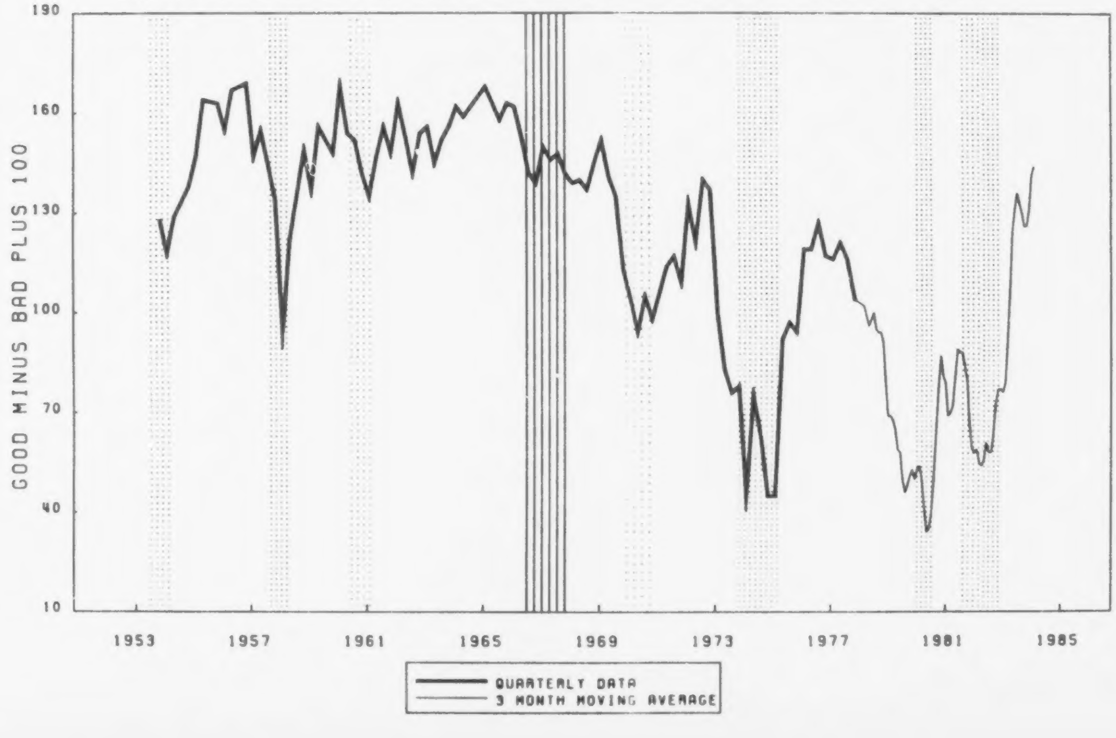


CHART 18 - HISTORICAL SERIES
BUSINESS CONDITIONS EXPECTED DURING THE NEXT TWELVE MONTHS



## TABLE 18

## BUSINESS CONDITIONS EXPECTED DURING THE NEXT 12 MONTHS

|  | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| GOOD TIMES | 39% | 52% | 56% | 65% | 63% | 63% | 60% | 58% | 58% | 59% | 67% | 73% | 65% |
| UNCERTAIN; GOOD & BAD | 1 | 2 | 1 | 2 | 3 | 3 | 3 | 2 | 3 | 3 | 2 | 2 | 2 |
| BAD TIMES | 52 | 39 | 36 | 26 | 29 | 27 | 30 | 33 | 34 | 30 | 27 | 19 | 26 |
| DON'T KNOW | 3 | 4 | 3 | 4 | 3 | 6 | 5 | 5 | 4 | 6 | 3 | 5 | 5 |
| NOT ASCERTAINED | 5 | 3 | 4 | 3 | 2 | 1 | 2 | 2 | 1 | 2 | 1 | 1 | 2 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 709 | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 |

The question was. "Now turning to business conditions in the country as a whole--do you think that during the next 12 months we'll have good times financially, or bad times or what?"

CHART 19 - RECENT CHANGES
BUSINESS CONDITIONS EXPECTED FOR THE NEXT FIVE YEARS

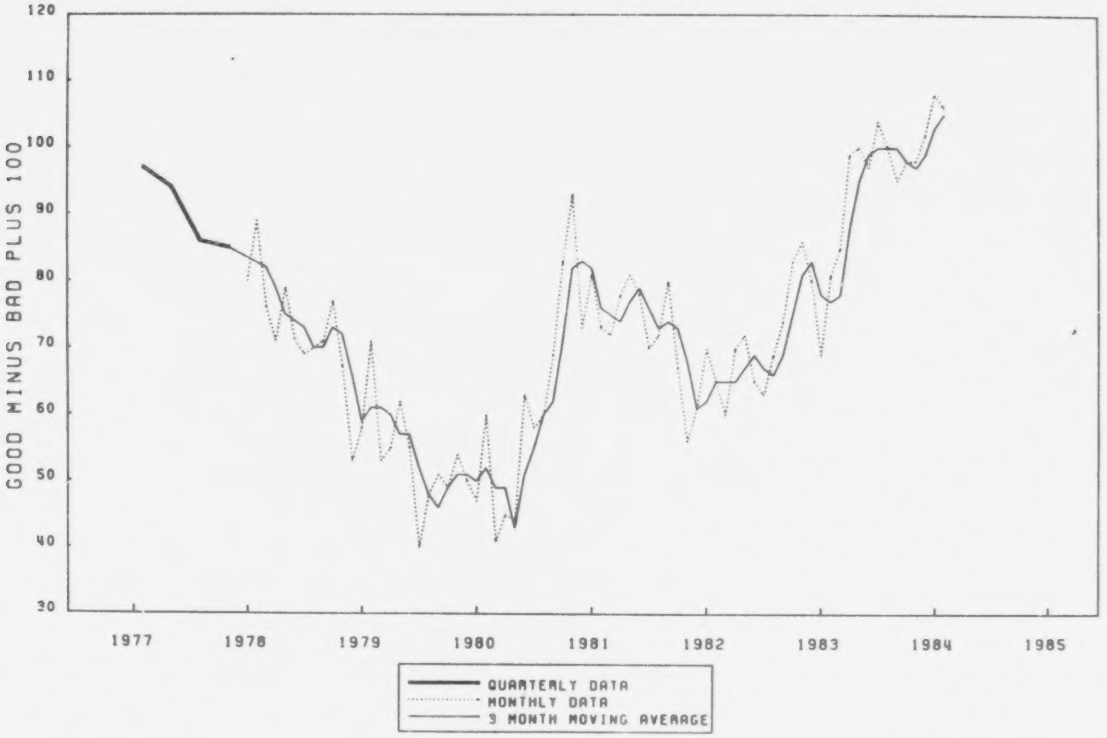
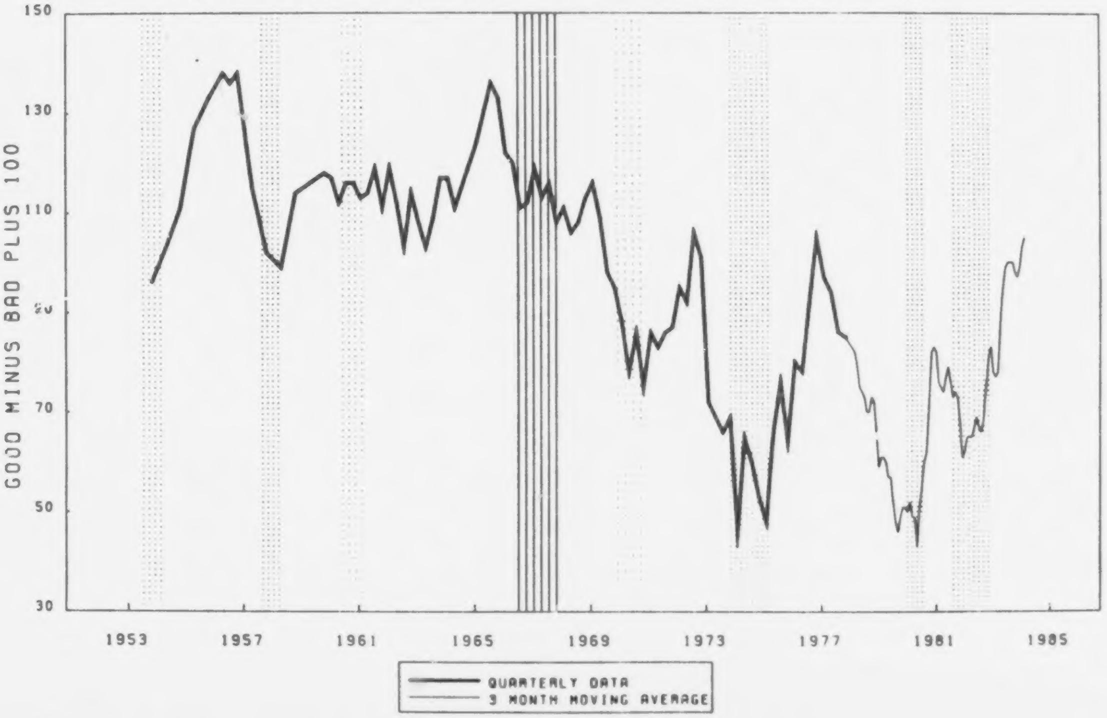


CHART 19 - HISTORICAL SERIES
BUSINESS CONDITIONS EXPECTED FOR THE NEXT FIVE YEARS



## TABLE 19

## BUSINESS CONDITIONS EXPECTED DURING THE NEXT FIVE YEARS

| | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| GOOD TIMES | 31% | 33% | 38% | 39% | 39% | 39% | 37% | 37% | 39% | 39% | 39% | 44% | 42% |
| UNCERTAIN; GOOD & BAD | 13 | 15 | 18 | 18 | 15 | 20 | 22 | 19 | 17 | 15 | 21 | 17 | 16 |
| BAD TIMES | 50 | 48 | 39 | 39 | 42 | 35 | 37 | 42 | 41 | 41 | 37 | 36 | 36 |
| NOT ASCERTAINED | 6 | 4 | 5 | 4 | 4 | 6 | 4 | 2 | 3 | 5 | 3 | 3 | 6 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 709 | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 |

The question was: "Looking ahead, which would you say is more likely--that in the country as a whole we'll have continuous good times during the next 5 years or so, or that we will have periods of widespread unemployment or depression, or what?"

CHART 20 - RECENT CHANGES
EXPECTED CHANGE IN UNEMPLOYMENT

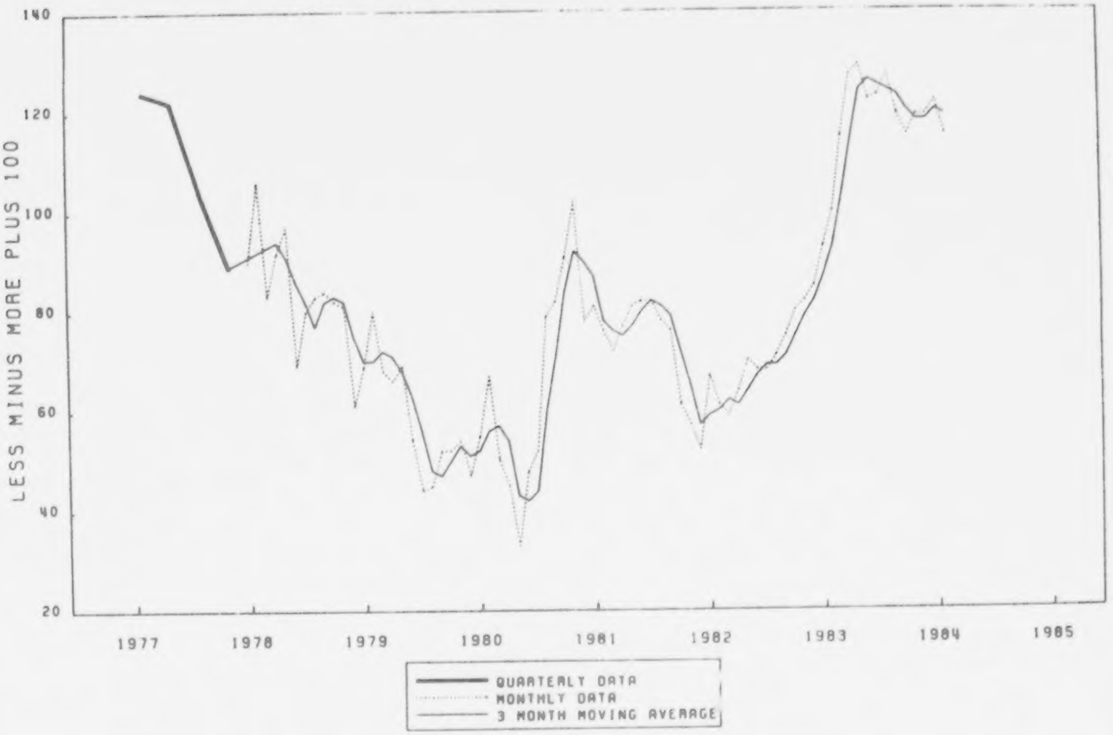
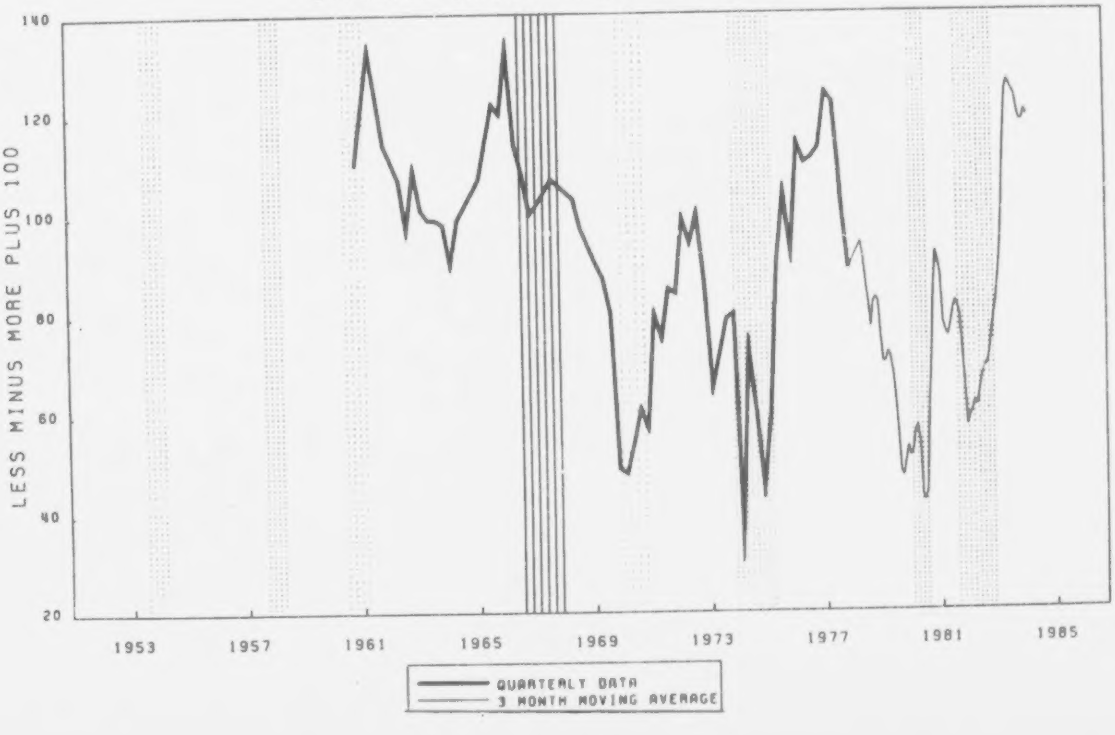


CHART 20 - HISTORICAL SERIES
EXPECTED CHANGE IN UNEMPLOYMENT



## TABLE 20

## EXPECTED CHANGE IN UNEMPLOYMENT

|  | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| LESS | 29% | 36% | 42% | 42% | 37% | 39% | 42% | 36% | 35% | 35% | 36% | 36% | 31% |
| SAME | 41 | 43 | 41 | 44 | 47 | 44 | 40 | 46 | 44 | 47 | 45 | 48 | 50 |
| MORE | 29 | 21 | 15 | 13 | 15 | 16 | 15 | 17 | 20 | 16 | 17 | 14 | 16 |
| DK,NA | 1 | * | 2 | 1 | 1 | 1 | 3 | 1 | 1 | 2 | 2 | 2 | 3 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 709 | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 |

The question was: "How about people out of work during the coming 12 months--do you think that there will be more unemployment than now, about the same, or less?"

* : Less than half of one percent.

CHART 21 - RECENT CHANGES
EXPECTED CHANGE IN INTEREST RATES

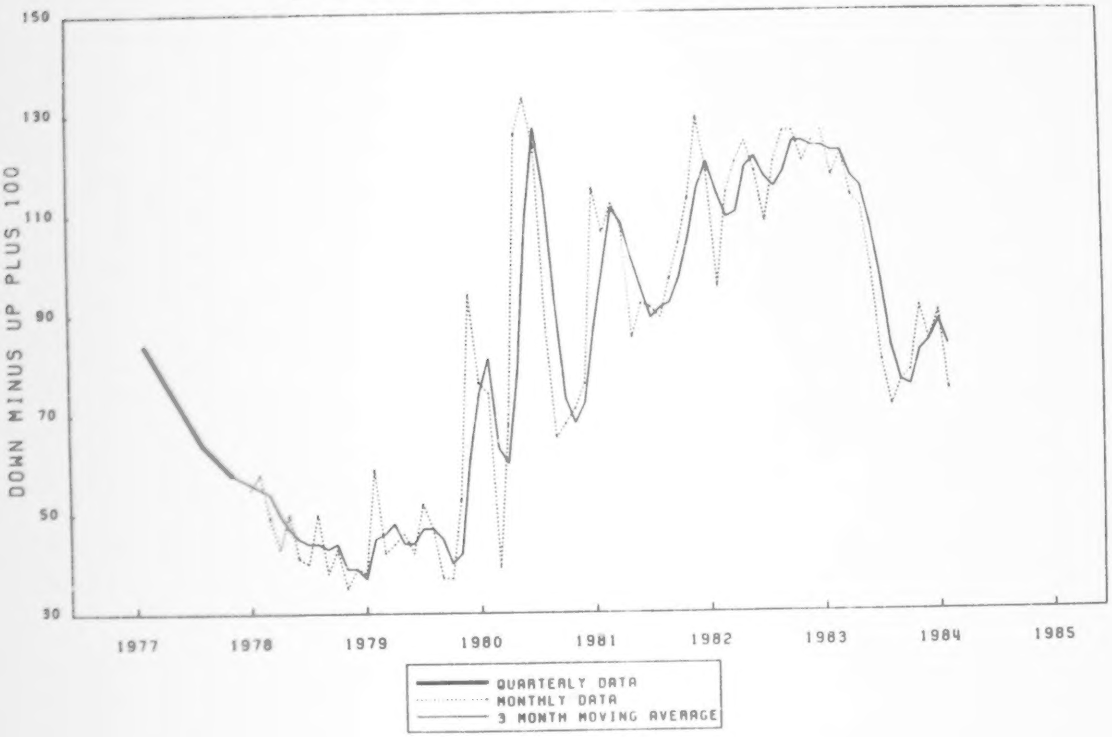
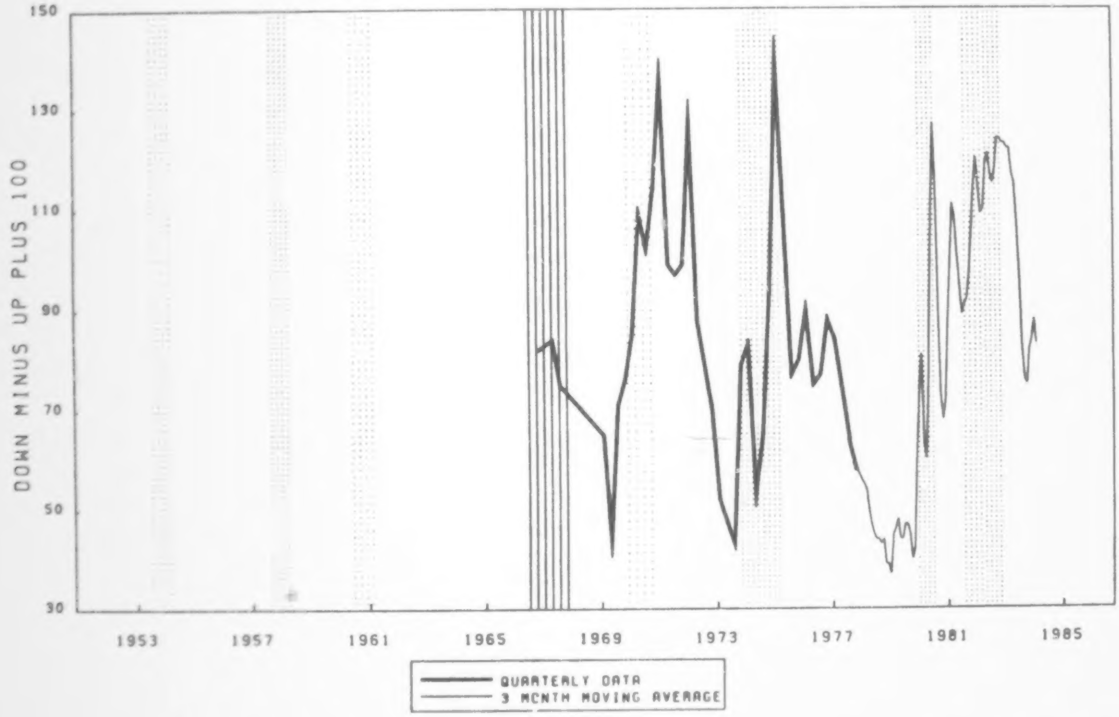


CHART 21 - HISTORICAL SERIES
EXPECTED CHANGE IN INTEREST RATES



## TABLE 21

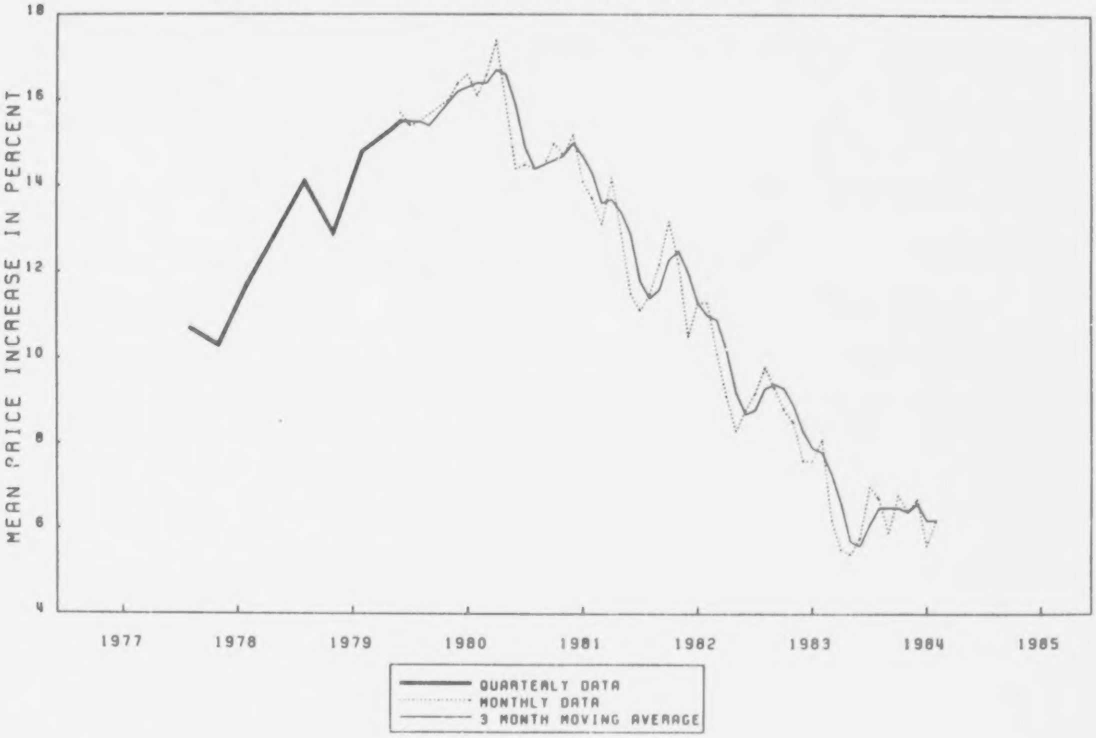
## EXPECTED CHANGE IN INTEREST RATES

| | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| GO UP | 24% | 19% | 21% | 20% | 29% | 40% | 47% | 44% | 43% | 33% | 37% | 32% | 42% |
| STAY THE SAME | 32 | 38 | 42 | 47 | 42 | 37 | 32 | 33 | 33 | 40 | 37 | 43 | 38 |
| GO DOWN | 41 | 41 | 34 | 31 | 27 | 20 | 18 | 20 | 21 | 24 | 21 | 22 | 16 |
| DK,NA | 3 | 2 | 3 | 2 | 2 | 3 | 3 | 3 | 3 | 3 | 5 | 3 | 4 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 709 | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 |

The question was: "No one can say for sure, but what do you think will happen to interest rates for borrowing money during the next 12 months--will they go up, stay the same, or go down?"

CHART 22 - RECENT CHANGES

CHANGE IN PRICES DURING THE LAST 12 MONTHS



## TABLE 22

## CHANGE IN PRICES DURING THE LAST 12 MONTHS

| | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| SAME OR DOWN | 24% | 31% | 30% | 31% | 29% | 23% | 25% | 25% | 21% | 24% | 24% | 23% | 23% |
| GONE UP BY: | | | | | | | | | | | | | |
| 1-2% | 5 | 6 | 8 | 9 | 8 | 8 | 8 | 11 | 8 | 9 | 8 | 12 | 9 |
| 3-4% | 10 | 10 | 10 | 13 | 13 | 14 | 14 | 13 | 14 | 13 | 15 | 16 | 14 |
| 5% | 15 | 12 | 17 | 13 | 14 | 13 | 16 | 15 | 16 | 15 | 15 | 17 | 17 |
| 6-9% | 10 | 9 | 9 | 8 | 11 | 11 | 8 | 7 | 11 | 8 | 8 | 8 | 9 |
| 10-14% | 14 | 15 | 11 | 14 | 11 | 13 | 13 | 12 | 14 | 14 | 11 | 9 | 14 |
| 15% or more | 16 | 11 | 9 | 8 | 10 | 11 | 11 | 9 | 11 | 9 | 10 | 7 | 9 |
| DK how much up | 5 | 5 | 5 | 4 | 3 | 6 | 5 | 7 | 4 | 7 | 8 | 7 | 5 |
| DK,NA | 1 | 1 | 1 | * | 1 | 1 | * | 1 | 1 | 1 | 1 | 1 | * |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| MEAN INCREASE | 8.1 | 6.2 | 5.5 | 5.4 | 5.8 | 7.0 | 6.7 | 5.9 | 6.8 | 6.4 | 6.7 | 5.6 | 6.2 |
| VARIANCE | 113 | 71 | 64 | 61 | 65 | 88 | 93 | 71 | 81 | 76 | 90 | 69 | 68 |
| CASES | 709 | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 |

The questions were: "During the last 12 months, have prices of the things you buy remained unchanged, or have they gone up, or have they gone down?" and "By about what percent do you think prices have gone up,on the average, during the last 12 months?"

* : Less than half of one percent.

CHART 23 - RECENT CHANGES
MEAN EXPECTED PRICE INCREASE OVER THE NEXT 12 MONTHS

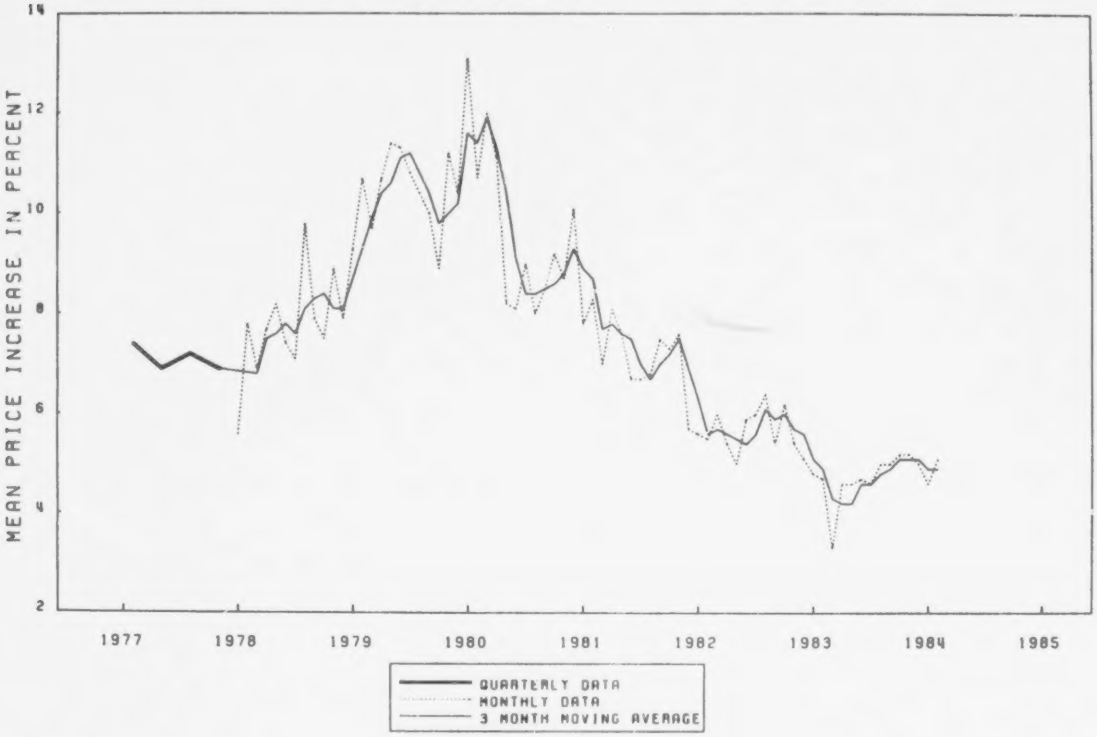
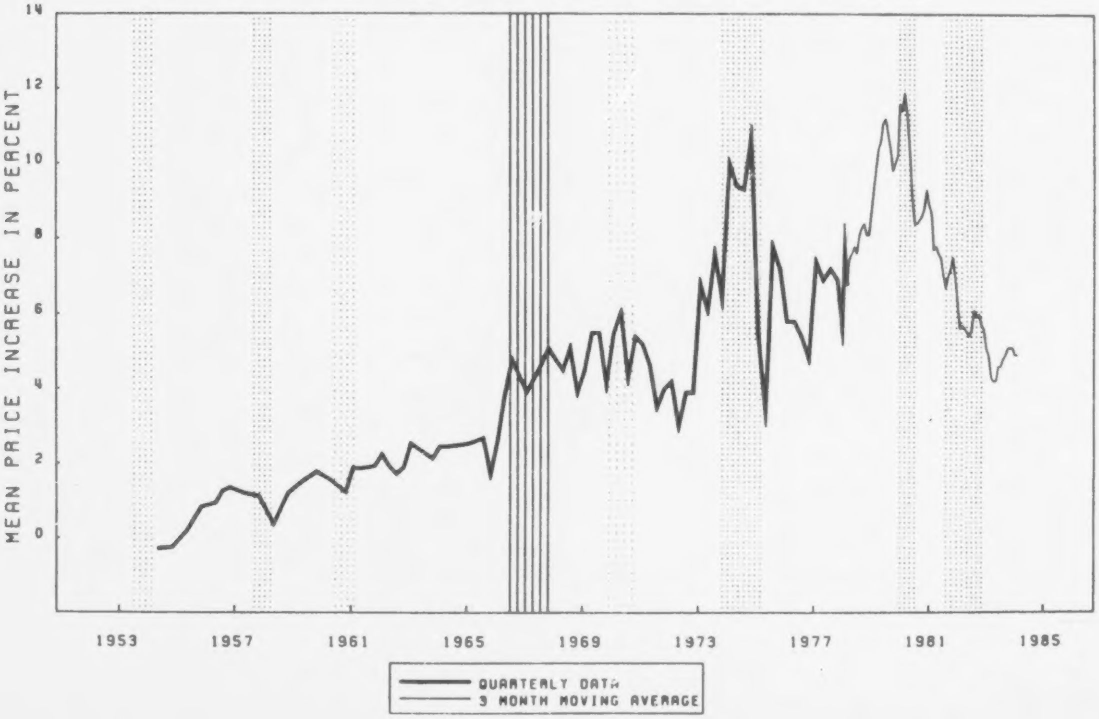


CHART 23 - HISTORICAL SERIES
MEAN EXPECTED PRICE INCREASE OVER THE NEXT 12 MONTHS



## TABLE 23

## EXPECTED CHANGE IN PRICES DURING THE NEXT 12 MONTHS

| | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| SAME OR DOWN | 36% | 44% | 30% | 32% | 33% | 29% | 23% | 28% | 24% | 25% | 23% | 25% | 23% |
| WILL GO UP BY: | | | | | | | | | | | | | |
| 1-2% | 8 | 9 | 10 | 9 | 8 | 12 | 14 | 13 | 12 | 12 | 12 | 13 | 14 |
| 3-4% | 12 | 12 | 13 | 13 | 15 | 15 | 16 | 14 | 15 | 14 | 15 | 20 | 19 |
| 5% | 15 | 14 | 17 | 17 | 16 | 15 | 16 | 16 | 15 | 16 | 17 | 13 | 19 |
| 6-9% | 9 | 5 | 10 | 10 | 9 | 9 | 9 | 7 | 10 | 9 | 8 | 9 | 6 |
| 10-14% | 8 | 8 | 9 | 10 | 9 | 9 | 9 | 10 | 11 | 11 | 11 | 10 | 8 |
| 15% or more | 7 | 4 | 5 | 5 | 6 | 6 | 6 | 7 | 8 | 6 | 5 | 4 | 6 |
| DK how much up | 3 | 3 | 4 | 3 | 3 | 3 | 5 | 4 | 4 | 5 | 7 | 4 | 4 |
| DK,NA | 2 | 1 | 2 | 1 | 1 | 2 | 2 | 1 | 1 | 2 | 2 | 2 | 1 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| MEAN INCREASE | 4.7 | 3.3 | 4.6 | 4.6 | 4.7 | 4.6 | 5.0 | 5.0 | 5.2 | 5.2 | 5.0 | 4.6 | 5.1 |
| VARIANCE | 60 | 33 | 45 | 49 | 54 | 44 | 47 | 51 | 36 | 54 | 44 | 40 | 51 |
| CASES | 709 | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 |

The questions were: "During the next 12 months, do you think that prices in general will go up, or go down, or stay where they are now?" and "By about what percent do you expect prices to go up, on the average, during the next 12 months?"

CHART 24 - RECENT CHANGES
UNEMPLOYMENT OR INFLATION MORE SERIOUS

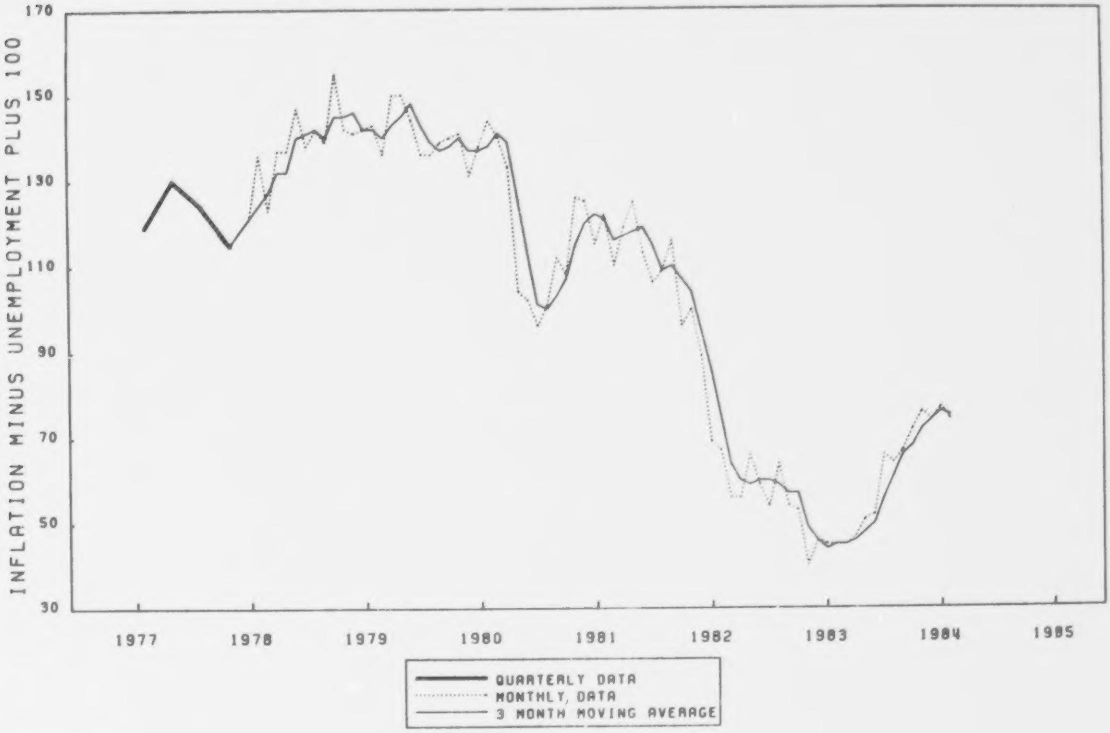
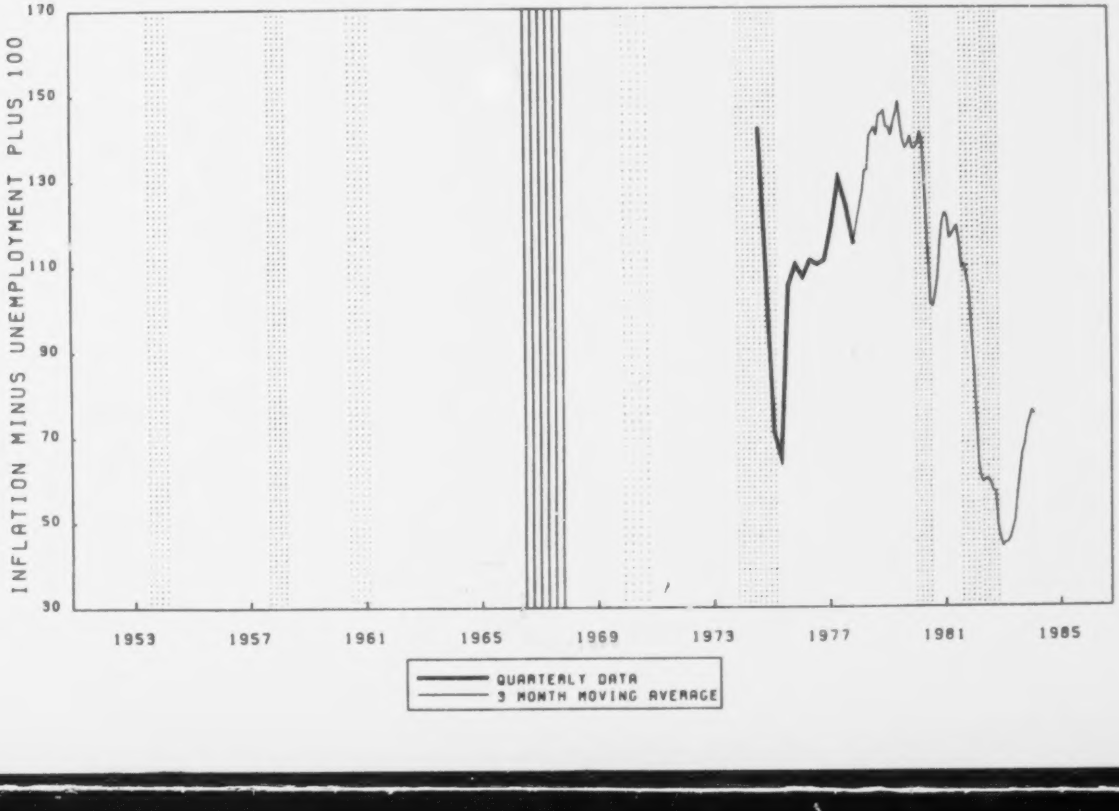


CHART 24 - HISTORICAL SERIES
UNEMPLOYMENT OR INFLATION MORE SERIOUS



## TABLE 24

## UNEMPLOYMENT OR INFLATION MORE SERIOUS ECONOMIC HARDSHIP

| | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| UNEMPLOYMENT | 73% | 73% | 73% | 71% | 70% | 63% | 65% | 62% | 61% | 57% | 59% | 58% | 59% |
| BOTH EQUALLY SERIOUS | 8 | 8 | 6 | 6 | 7 | 6 | 5 | 8 | 5 | 7 | 6 | 4 | 5 |
| INFLATION | 18 | 18 | 20 | 22 | 22 | 29 | 29 | 29 | 33 | 33 | 33 | 35 | 33 |
| DK,NA | 1 | 1 | 1 | 1 | 1 | 2 | 1 | 1 | 1 | 3 | 2 | 3 | 3 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 709 | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 |

The question was: "Which of the two problems--unemployment or inflation--do you think will cause the more serious economic hardship for people during the next year or so?"

CHART 25 - RECENT CHANGES
OPINIONS ABOUT THE GOVERNMENT'S ECONOMIC POLICY

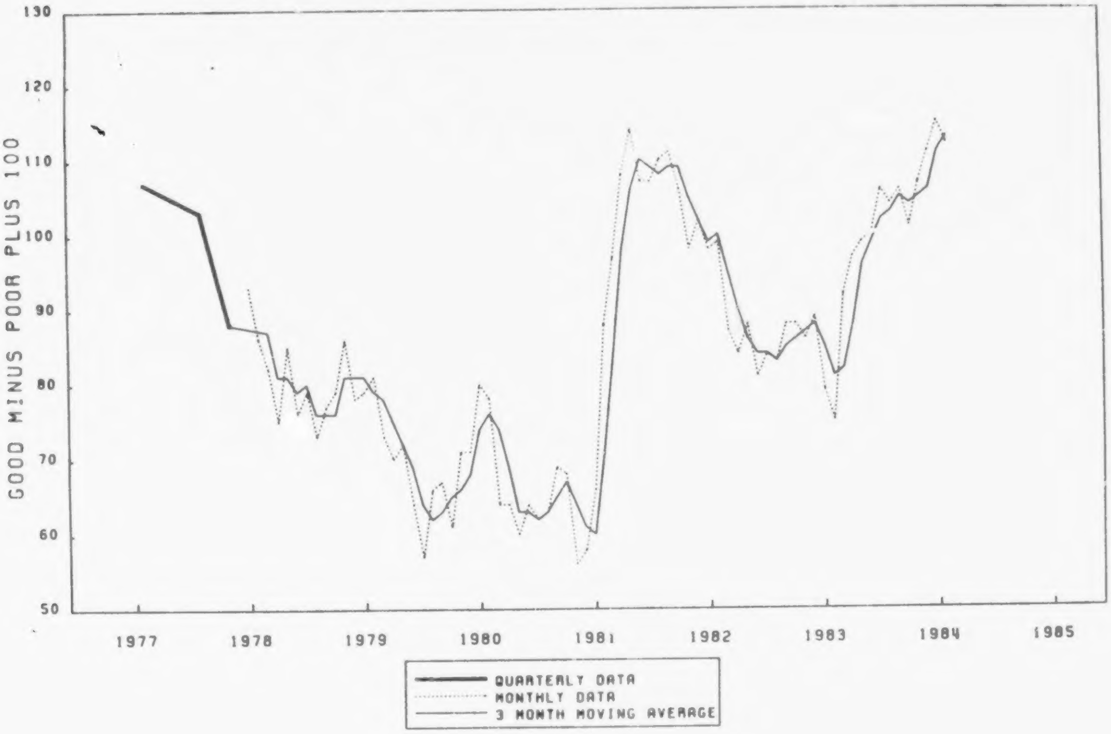
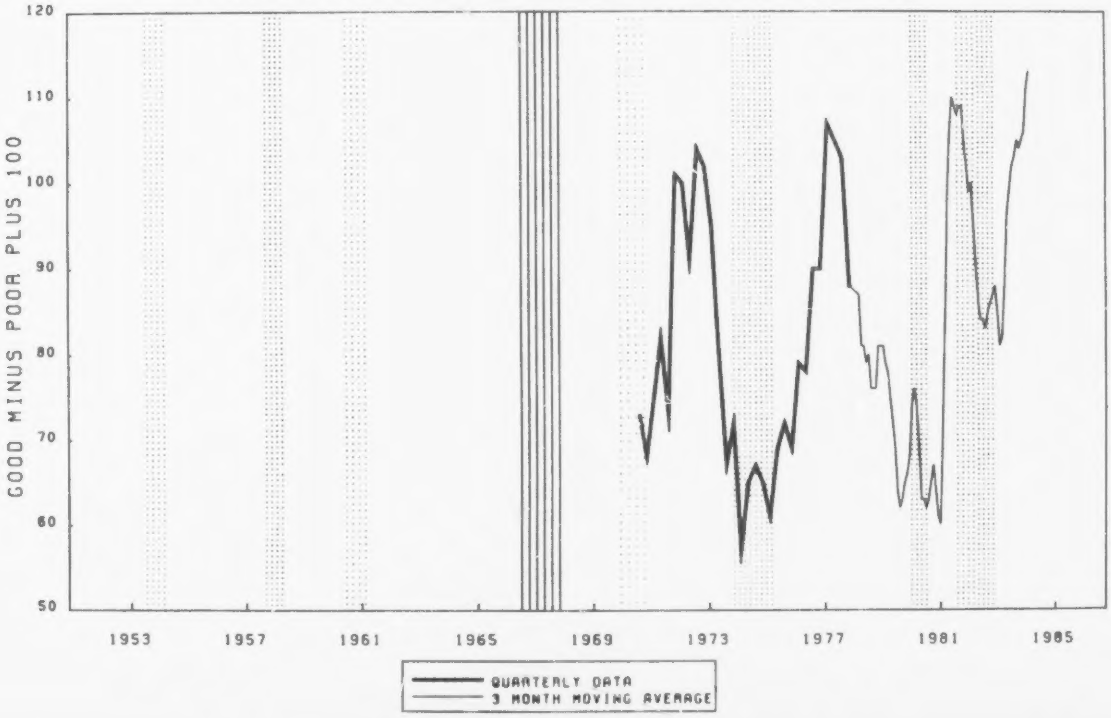


CHART 25 - HISTORICAL SERIES
OPINIONS ABOUT THE GOVERNMENT'S ECONOMIC POLICY



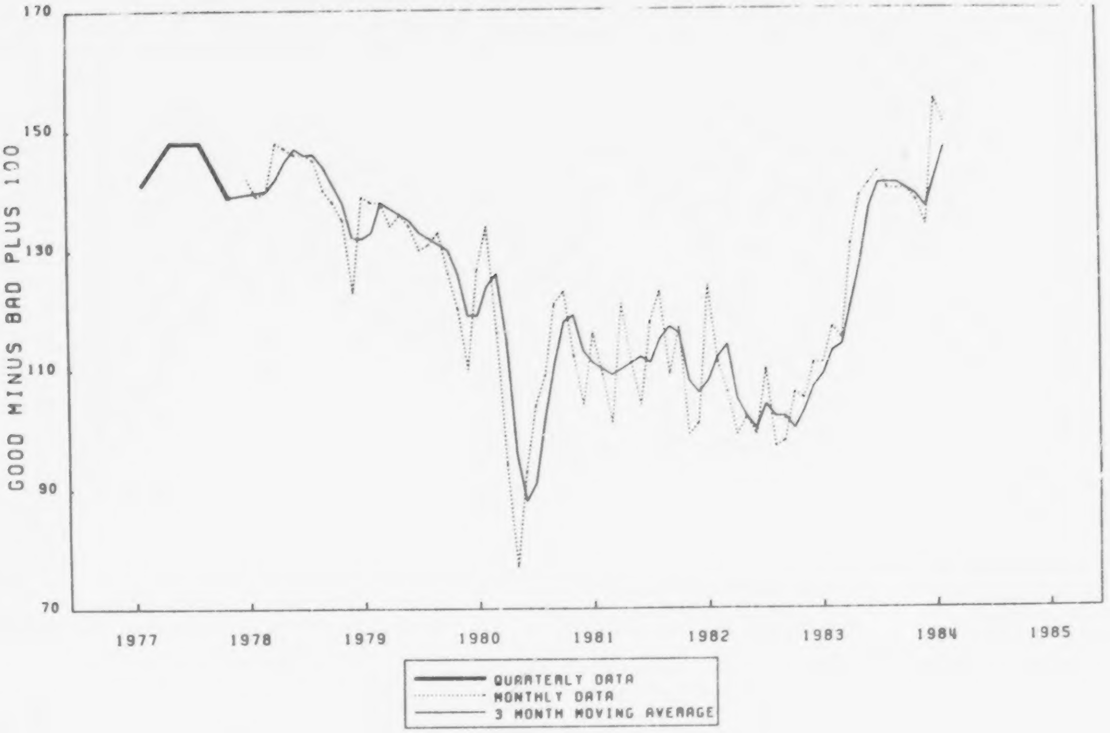
## TABLE 25

## OPINIONS ABOUT THE GOVERNMENT'S ECONOMIC POLICY

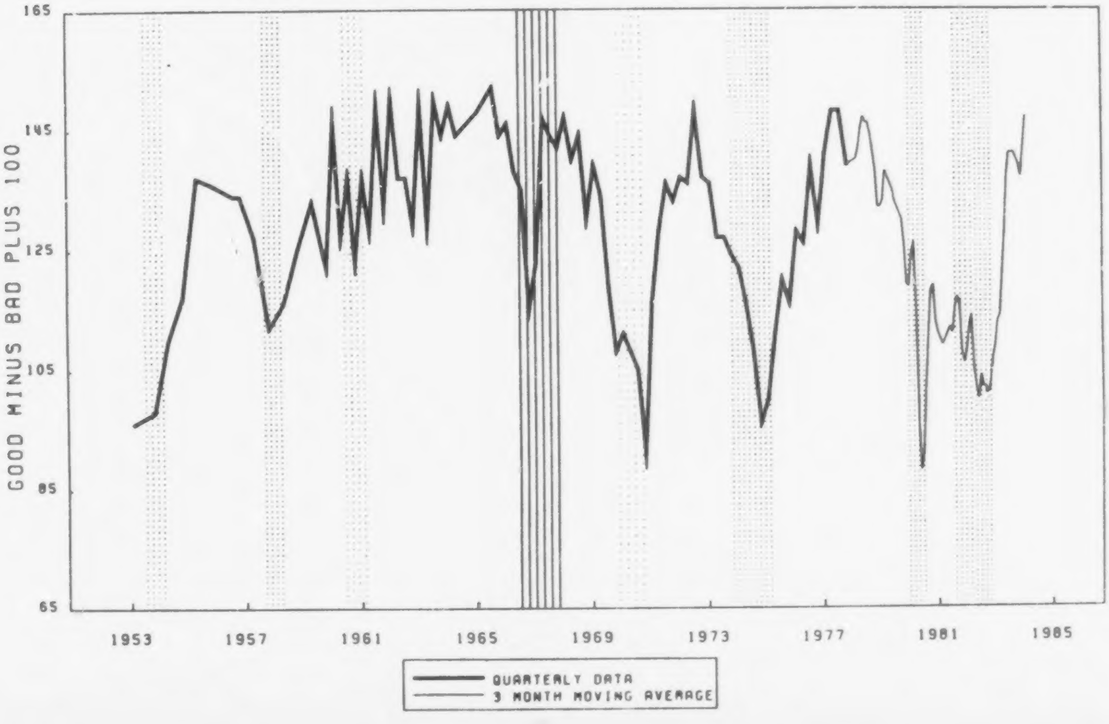
| | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| A GOOD JOB | 16% | 21% | 21% | 20% | 23% | 27% | 27% | 27% | 25% | 27% | 29% | 31% | 32% |
| ONLY FAIR | 40 | 48 | 53 | 57 | 52 | 51 | 48 | 50 | 50 | 49 | 51 | 52 | 45 |
| A POOR JOB | 41 | 29 | 24 | 21 | 23 | 21 | 23 | 21 | 24 | 20 | 18 | 16 | 20 |
| DK,NA | 3 | 2 | 2 | 2 | 2 | 1 | 2 | 2 | 1 | 4 | 2 | 1 | 3 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 709 | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 |

The question was: "As to the economic policy of the government--I mean steps taken to fight inflation or unemployment--would you say the government is doing a good job, only fair, or a poor job?"

## CHART 26 - RECENT CHANGES
## BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS



## CHART 26 - HISTORICAL SERIES
## BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS



## TABLE 26

## BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS

| | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| GOOD TIME TO BUY | 54% | 53% | 61% | 67% | 66% | 67% | 64% | 66% | 65% | 64% | 61% | 73% | 70% |
| UNCERTAIN, DEPENDS | 9 | 9 | 9 | 5 | 9 | 9 | 12 | 8 | 10 | 10 | 12 | 9 | 11 |
| BAD TIME TO BUY | 37 | 38 | 30 | 28 | 25 | 24 | 24 | 26 | 25 | 26 | 27 | 18 | 19 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 709 | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 |

The question was: "About the big things people buy for their homes--such as furniture, a refrigerator, stove, television, and things like that. Generally speaking, do you think now is a good or a bad time for people to buy major household items?"

CHART 27A - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR DURABLES

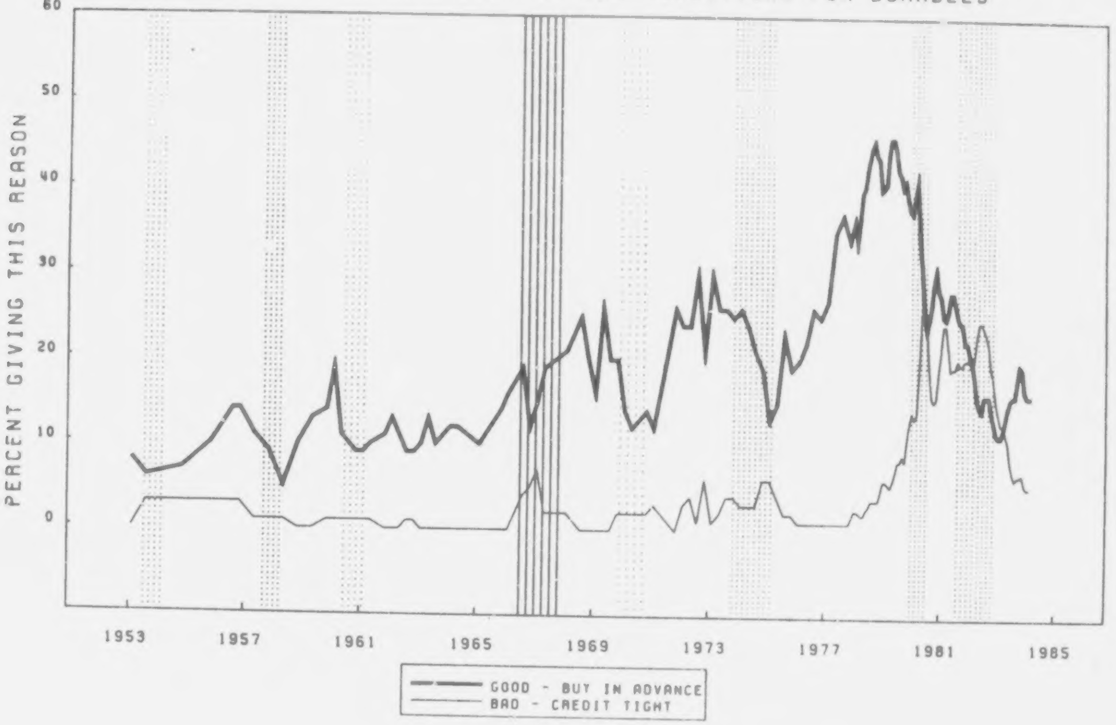
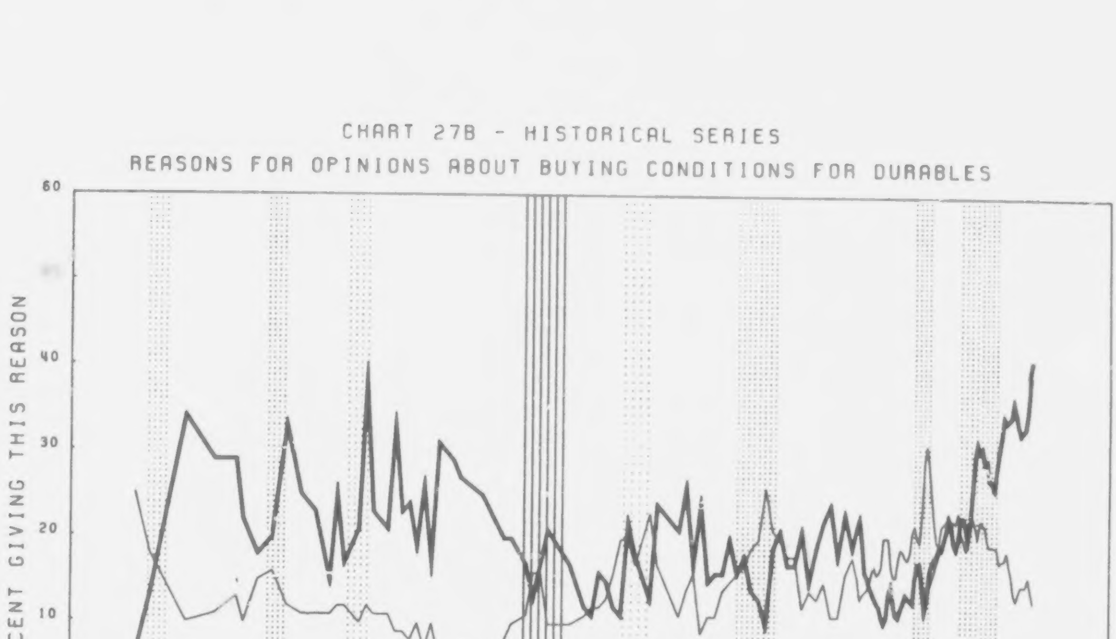


CHART 27B - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR DURABLES



## TABLE 27

## SELECTED REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS +

| | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| GOOD TIME TO BUY: | | | | | | | | | | | | | |
| Prices are low; good buys available | 38% | 30% | 36% | 37% | 35% | 32% | 33% | 32% | 33% | 34% | 38% | 45% | 39% |
| Prices won't come down; are going higher | 11 | 12 | 15 | 17 | 15 | 16 | 17 | 21 | 21 | 16 | 13 | 19 | 16 |
| Interest rates low; credit is easy | 8 | 12 | 14 | 13 | 16 | 13 | 12 | 12 | 7 | 8 | 7 | 9 | 11 |
| BAD TIME TO BUY: | | | | | | | | | | | | | |
| Prices are high | 18 | 19 | 16 | 12 | 13 | 14 | 15 | 15 | 14 | 15 | 18 | 10 | 10 |
| Interest rates are high; credit is tight | 13 | 13 | 11 | 8 | 6 | 7 | 6 | 7 | 7 | 7 | 3 | 6 | 7 |
| Lack of purchasing power | 16 | 18 | 15 | 16 | 12 | 9 | 11 | 11 | 12 | 8 | 10 | 7 | 7 |

Responses to the query: "Why do you say so?" following the question on Table 26.

+ : May add to more than 100% due to multiple mentions.

CHART 28 - RECENT CHANGES
BUYING CONDITIONS FOR HOUSES

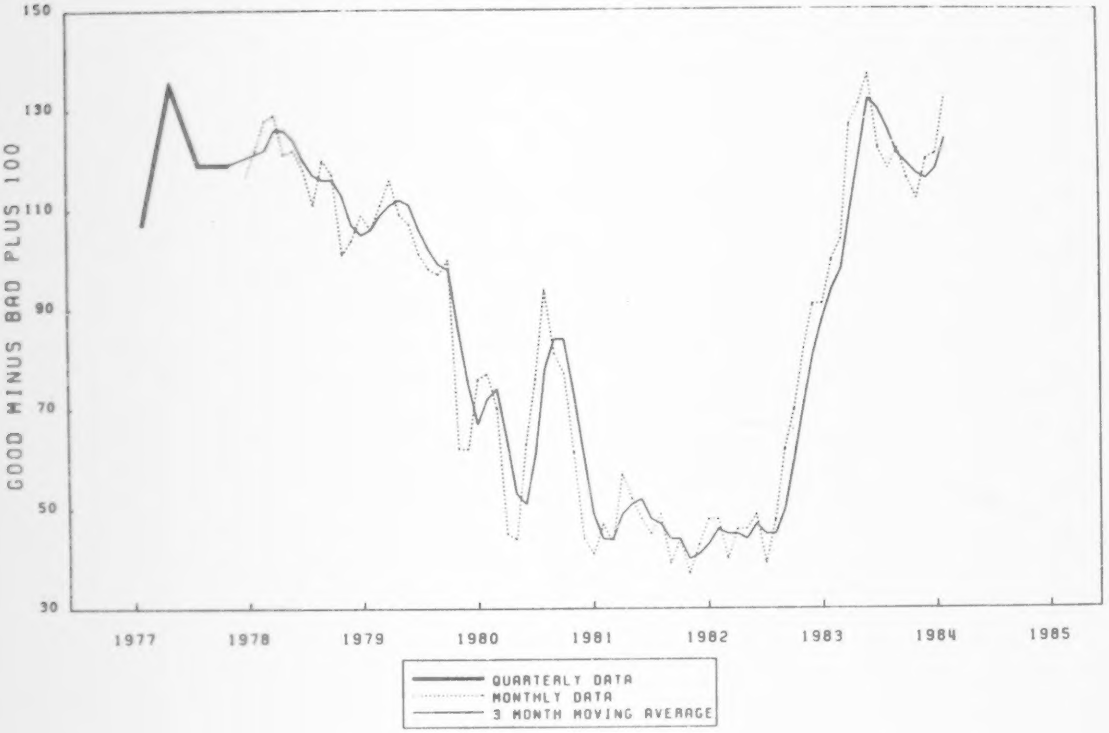


CHART 28 - HISTORICAL SERIES
BUYING CONDITIONS FOR HOUSES

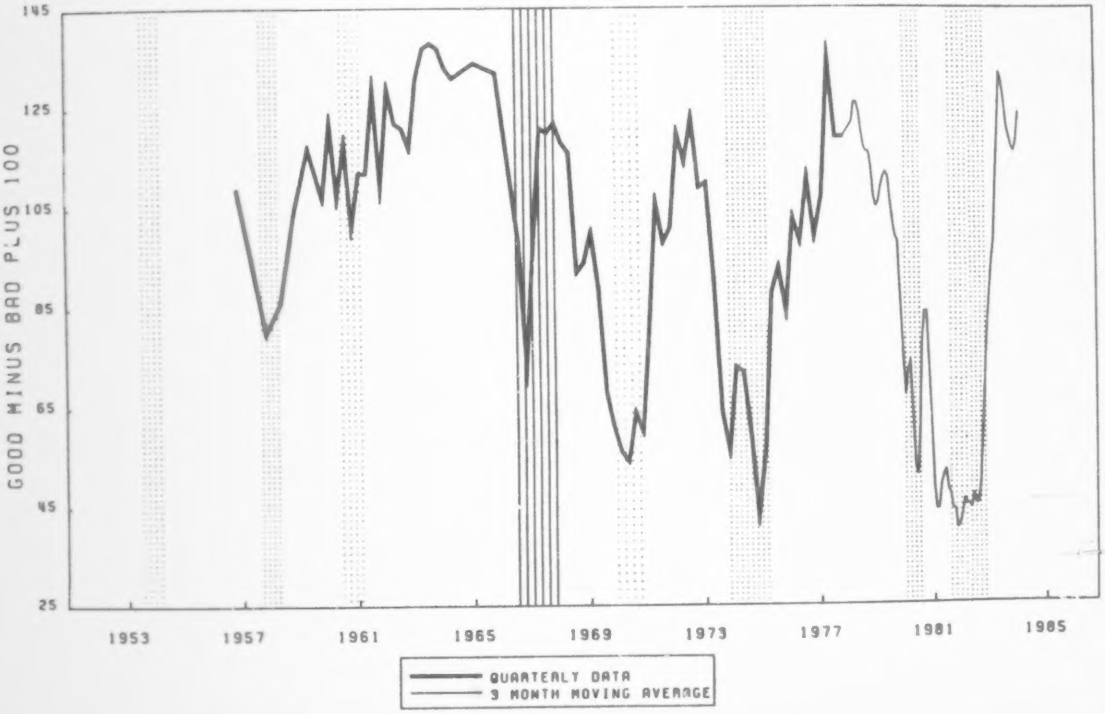


TABLE 28

BUYING CONDITIONS FOR HOUSES

| | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| GOOD TIME TO BUY | 49% | 51% | 61% | 64% | 66% | 59% | 57% | 59% | 55% | 53% | 57% | 59% | 63% |
| UNCERTAIN, DEPENDS | 2 | 2 | 5 | 3 | 5 | 4 | 4 | 4 | 6 | 6 | 6 | 3 | 6 |
| BAD TIME TO BUY | 49 | 47 | 34 | 33 | 29 | 37 | 39 | 37 | 39 | 41 | 37 | 38 | 31 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 709 | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 |

The question was: "Generally speaking, do you think now is a good time or a bad time to buy a house?"

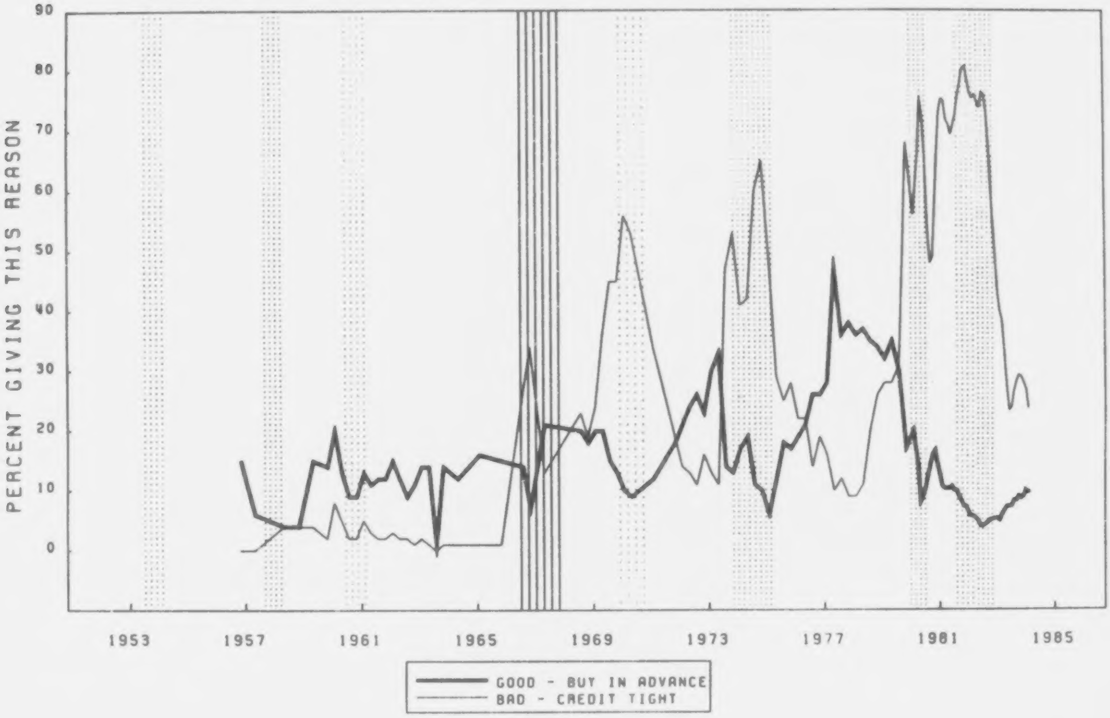


CHART 29A - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR HOUSES

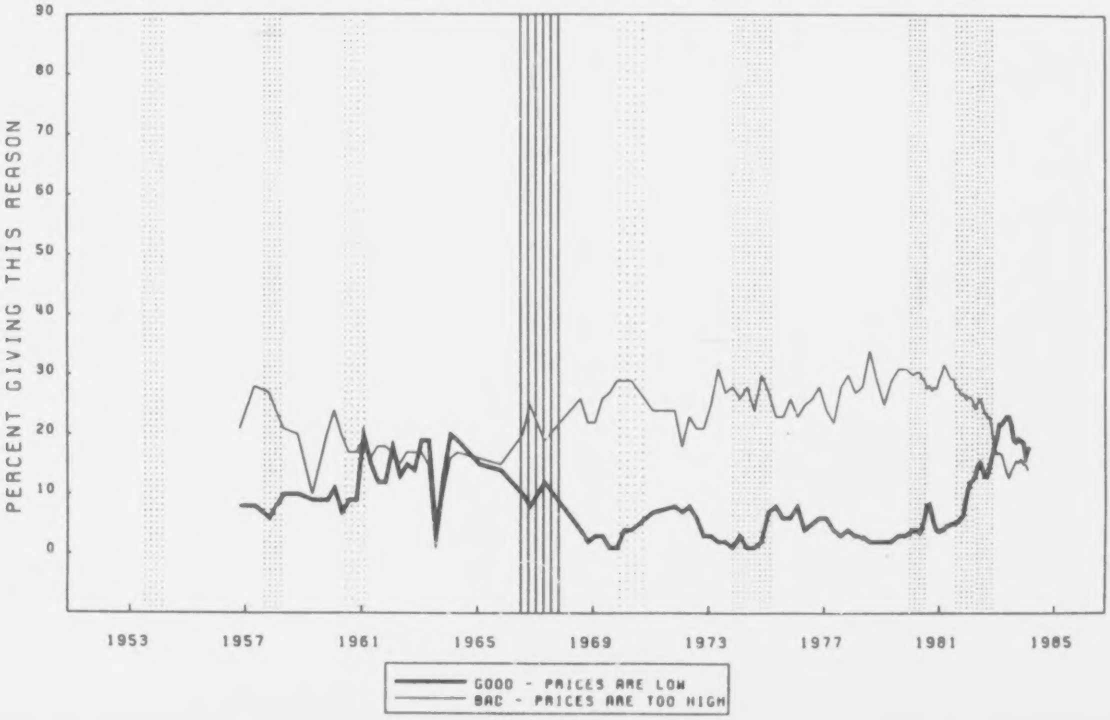


CHART 29B - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR HOUSES

## TABLE 29

### SELECTED REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR HOUSES +

| | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| GOOD TIME TO BUY: | | | | | | | | | | | | | |
| Prices are low; good buys available | 24% | 20% | 24% | 25% | 20% | 20% | 17% | 19% | 22% | 16% | 18% | 15% | 20% |
| Prices won't come down; are going higher | 5 | 8 | 7 | 7 | 8 | 7 | 10 | 8 | 9 | 9 | 9 | 12 | 8 |
| Interest rates low; credit is easy | 40 | 44 | 54 | 57 | 61 | 49 | 44 | 47 | 38 | 40 | 41 | 41 | 50 |
| Good investment | 4 | 3 | 5 | 4 | 7 | 5 | 8 | 6 | 8 | 5 | 6 | 8 | 6 |
| BAD TIME TO BUY: | | | | | | | | | | | | | |
| Prices are high | 17 | 16 | 13 | 12 | 13 | 17 | 14 | 16 | 16 | 16 | 13 | 16 | 13 |
| Interest rates are high; credit is tight | 39 | 35 | 24 | 23 | 23 | 26 | 31 | 28 | 29 | 30 | 25 | 26 | 20 |
| Lack of purchasing power | 20 | 21 | 14 | 16 | 11 | 12 | 14 | 14 | 15 | 16 | 13 | 12 | 10 |

Responses to the query: "Why do you say so?" following the question on Table 28.

+ : May add to more than 100% due to multiple mentions.

CHART 30 - RECENT CHANGES
BUYING CONDITIONS FOR CARS

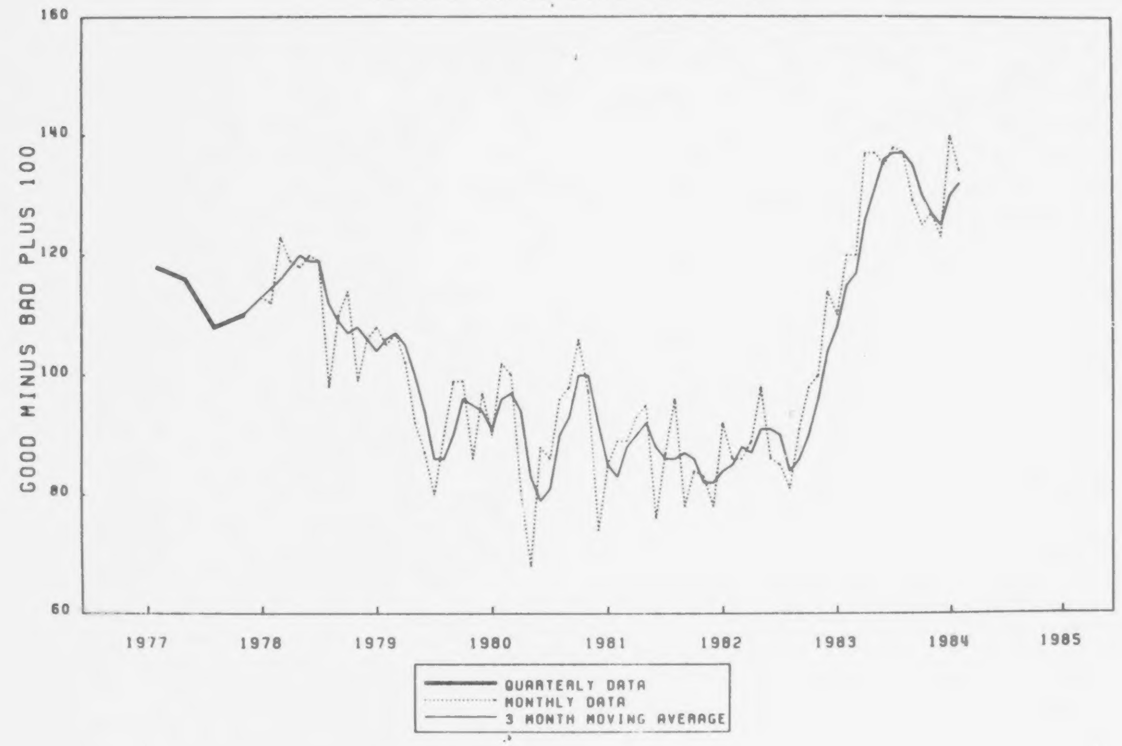
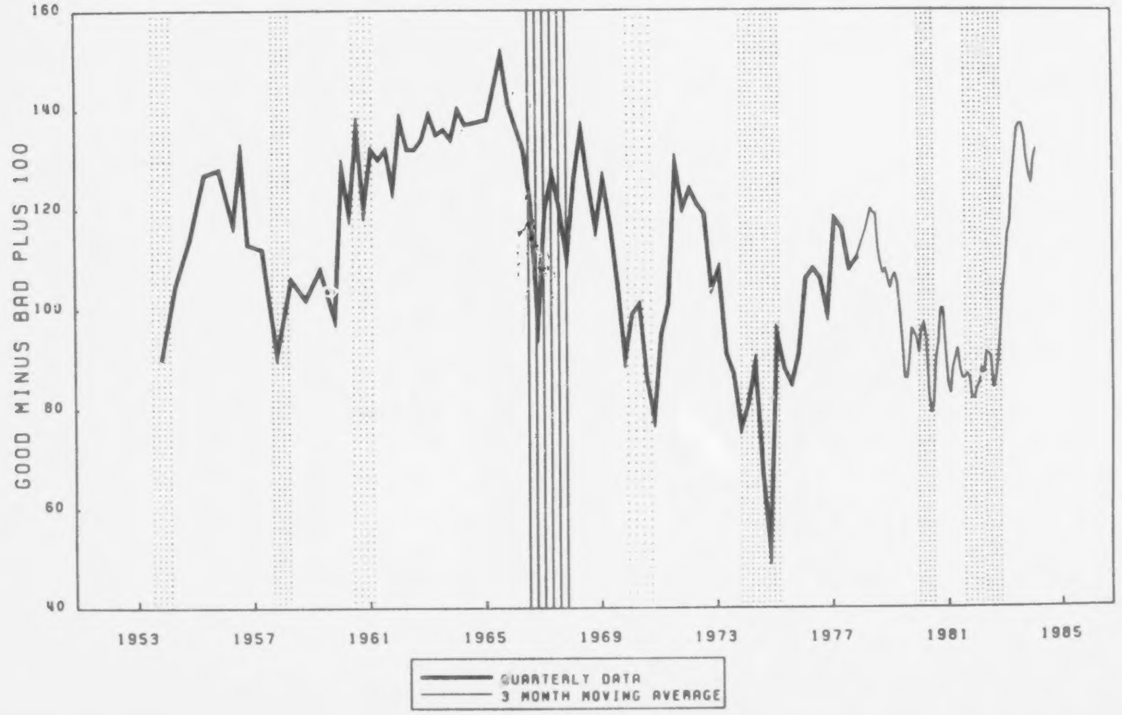


CHART 30 - HISTORICAL SERIES
BUYING CONDITIONS FOR CARS



## TABLE 30

## BUYING CONDITIONS FOR CARS

| | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| GOOD TIME TO BUY | 57% | 56% | 66% | 66% | 63% | 65% | 65% | 61% | 59% | 59% | 56% | 64% | 62% |
| UNCERTAIN; DEPENDS | 6 | 8 | 5 | 5 | 9 | 8 | 7 | 7 | 7 | 9 | 11 | 12 | 10 |
| BAD TIME TO BUY | 37 | 36 | 29 | 29 | 28 | 27 | 28 | 32 | 34 | 32 | 33 | 24 | 28 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 709 | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 |

The question was: "Speaking now of the automobile market--do you think the next 12 months or so will be a good time or a bad time to buy a car?"

CHART 31A - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR CARS

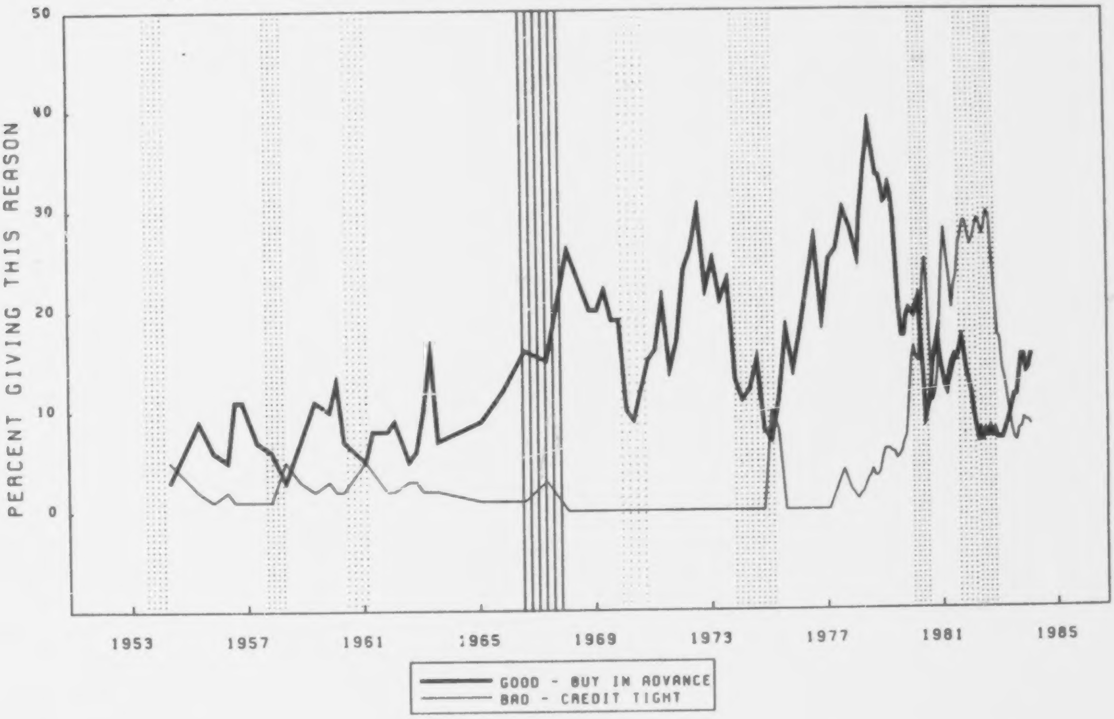


CHART 31B - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR CARS

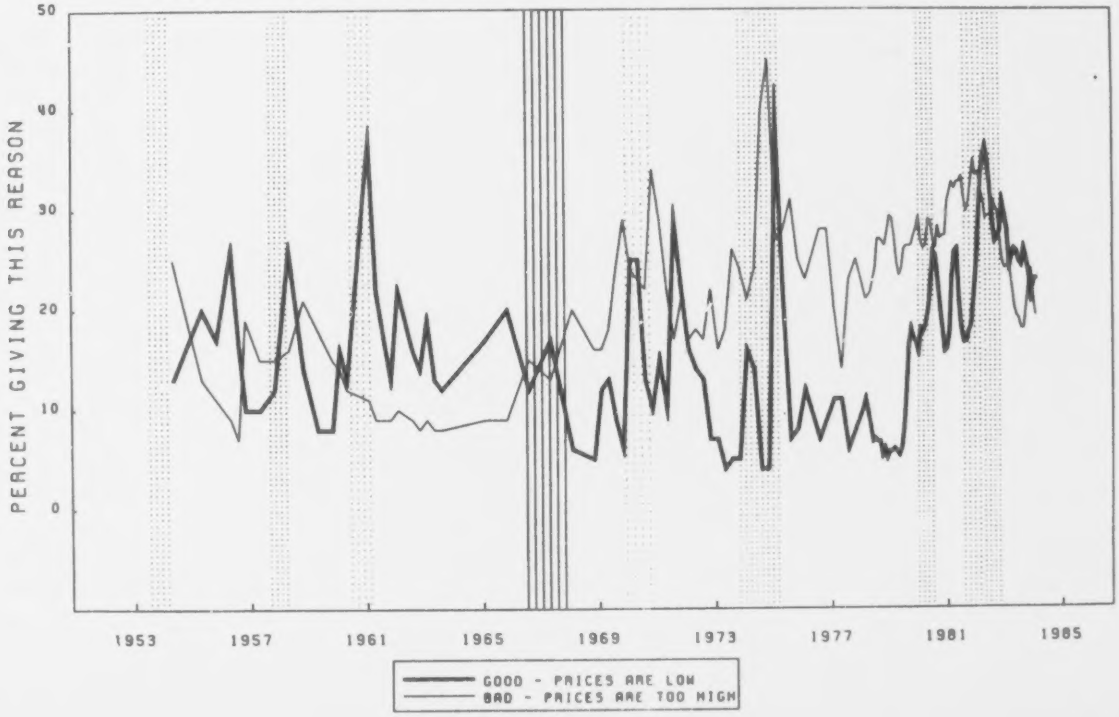


TABLE 31

SELECTED REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR CARS +

| | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| GOOD TIME TO BUY: | | | | | | | | | | | | | |
| Prices are low; good buys available | 24% | 24% | 28% | 26% | 23% | 25% | 25% | 28% | 22% | 21% | 21% | 26% | 22% |
| Prices won't come down; are going higher | 8 | 8 | 8 | 12 | 11 | 11 | 12 | 17 | 17 | 12 | 12 | 18 | 16 |
| Interest rates low; credit is easy | 35 | 34 | 40 | 40 | 40 | 37 | 33 | 28 | 19 | 22 | 19 | 23 | 22 |
| New fuel efficient models | 1 | 2 | 2 | * | 1 | 2 | 1 | 2 | 2 | 2 | 2 | 1 | 2 |
| BAD TIME TO BUY: | | | | | | | | | | | | | |
| Prices are high | 26 | 23 | 19 | 19 | 20 | 18 | 16 | 20 | 25 | 23 | 24 | 16 | 18 |
| Interest rates are high; credit is tight | 10 | 11 | 11 | 7 | 6 | 8 | 6 | 10 | 8 | 9 | 9 | 8 | 8 |
| Lack of purchasing power | 12 | 10 | 7 | 7 | 7 | 7 | 9 | 6 | 8 | 6 | 5 | 3 | 5 |
| Price of gas; shortages | * | * | * | 1 | 1 | * | 1 | * | * | * | * | * | * |
| Poor selection; quality | 5 | 5 | 5 | 5 | 6 | 5 | 4 | 4 | 6 | 6 | 5 | 5 | 4 |

Responses to the query: "Why do you say so?" following the question on Table 30.

+ : May add to more than 100% due to multiple mentions.

* : Less than half of one percent.

CHART 32 - RECENT CHANGES

PLANS TO PURCHASE AN AUTOMOBILE DURING THE NEXT 12 MONTHS

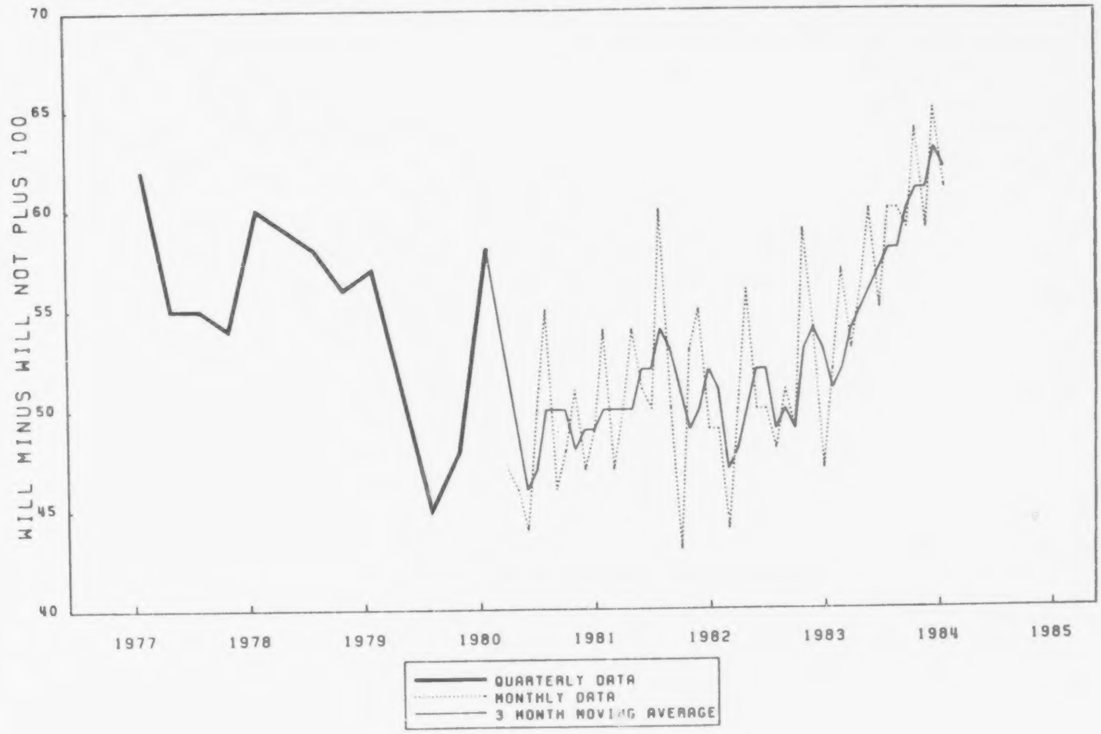
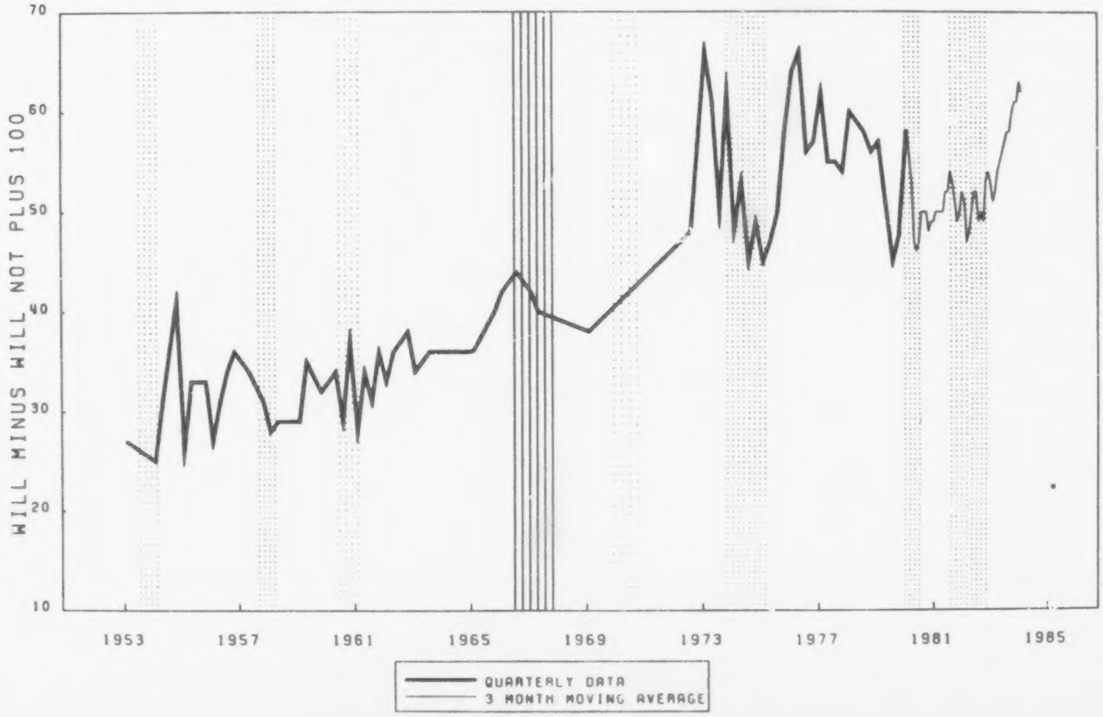


CHART 32 - HISTORICAL SERIES

PLANS TO PURCHASE AN AUTOMOBILE DURING THE NEXT 12 MONTHS



## TABLE 32

## PLANS TO PURCHASE AN AUTOMOBILE DURING THE NEXT 12 MONTHS

| | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| PROBABLY WILL BUY | 17% | 20% | 17% | 17% | 22% | 18% | 21% | 21% | 21% | 22% | 20% | 23% | 21% |
| CHANCES ARE EVEN | 8 | 7 | 9 | 9 | 7 | 6 | 7 | 9 | 8 | 9 | 8 | 7 | 9 |
| PROBABLY WILL NOT BUY | 65 | 63 | 64 | 61 | 62 | 63 | 61 | 61 | 62 | 58 | 61 | 58 | 60 |
| DK,NA | 10 | 10 | 10 | 13 | 9 | 13 | 11 | 9 | 9 | 11 | 11 | 12 | 10 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 709 | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 |

The question was: "What do you think are the chances that you (or anyone else in your family living there) will buy or lease a car during the next 12 months--would you say you probably will, probably will not, or are the chances about even, or what?"

## TABLE 33

## CURRENT VEHICLE PURCHASE INTENTIONS

| | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| PROPORTION WITH CURRENT PURCHASE INTENTIONS: | 25% | 27% | 26% | 26% | 29% | 24% | 28% | 30% | 29% | 31% | 28% | 30% | 30% |
| PURCHASE TYPE: | | | | | | | | | | | | | |
| Buy new | 12 | 13 | 14 | 12 | 13 | 11 | 15 | 13 | 17 | 17 | 16 | 15 | 14 |
| Buy used | 11 | 12 | 11 | 11 | 13 | 11 | 11 | 14 | 9 | 12 | 9 | 13 | 13 |
| Lease | 1 | 1 | * | 2 | 2 | 1 | 1 | 1 | 2 | 1 | 2 | 1 | 2 |
| DK,NA | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 2 | 1 | 1 | 1 | 1 | 1 |
| PURCHASE TIMING: | | | | | | | | | | | | | |
| Next 3 months | 3 | 1 | 6 | 2 | 1 | 4 | 5 | 2 | 6 | 4 | 2 | 5 | 3 |
| Next 4-6 months | 6 | 7 | 6 | 7 | 10 | 6 | 4 | 7 | 8 | 5 | 4 | 10 | 7 |
| Next 7-9 months | 7 | 9 | 7 | 8 | 8 | 3 | 5 | 5 | 8 | 9 | 10 | 7 | 8 |
| 10 months or more | 5 | 6 | 2 | 4 | 4 | 6 | 7 | 9 | 4 | 8 | 8 | 4 | 5 |
| DK,NA | 4 | 4 | 5 | 5 | 6 | 5 | 7 | 7 | 3 | 5 | 4 | 4 | 7 |

If response was "PROBABLY WILL BUY" or "CHANCES ARE EVEN" in Table 32, then the questions were: "If you do buy or lease a car, would it be a new car, or a used car?" , "Would you buy or lease?" and "When do you think you might buy or lease a car?"

* : Less than half of one percent.

TABLE 34

FUTURE VEHICLE PURCHASE INTENTIONS

| | Feb. 1983 | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| PROPORTION WITH FUTURE PURCHASE INTENTIONS: | 65% | 63% | 64% | 61% | 62% | 63% | 61% | 61% | 62% | 58% | 61% | 58% | 60% |
| PURCHASE TYPE: | | | | | | | | | | | | | |
| Would buy new | 34 | 31 | 38 | 36 | 37 | 37 | 33 | 33 | 33 | 36 | 36 | 36 | 32 |
| Would buy used | 29 | 31 | 25 | 24 | 24 | 24 | 27 | 27 | 29 | 21 | 24 | 21 | 26 |
| DK,NA | 2 | 1 | 1 | 1 | 1 | 2 | 1 | 1 | * | 1 | 1 | 1 | 2 |
| PURCHASE TIMING: | | | | | | | | | | | | | |
| Less than 2 years | 8 | 6 | 8 | 7 | 6 | 8 | 6 | 8 | 6 | 5 | 7 | 5 | 8 |
| 2 years | 19 | 20 | 22 | 24 | 20 | 23 | 21 | 22 | 20 | 19 | 23 | 19 | 20 |
| 3 years | 10 | 11 | 12 | 10 | 10 | 9 | 9 | 10 | 11 | 10 | 9 | 10 | 9 |
| 4 years or more | 20 | 21 | 16 | 18 | 21 | 18 | 18 | 15 | 19 | 18 | 17 | 17 | 17 |
| Indefinite | 2 | 1 | 2 | 1 | 1 | 2 | 2 | 2 | * | 1 | 1 | 2 | 3 |
| DK,NA | 6 | 4 | 4 | 1 | 4 | 3 | 5 | 4 | 6 | 5 | 4 | 5 | 3 |

If response was "PROBABLY WILL NOT BUY" in Table 32, then the questions were: "If you were to buy a car, would it be a new car or a used car? and "How long do you think it may be before will buy or lease a car?"

* : Less than half of one percent.

# EXPLANATORY CHARTS

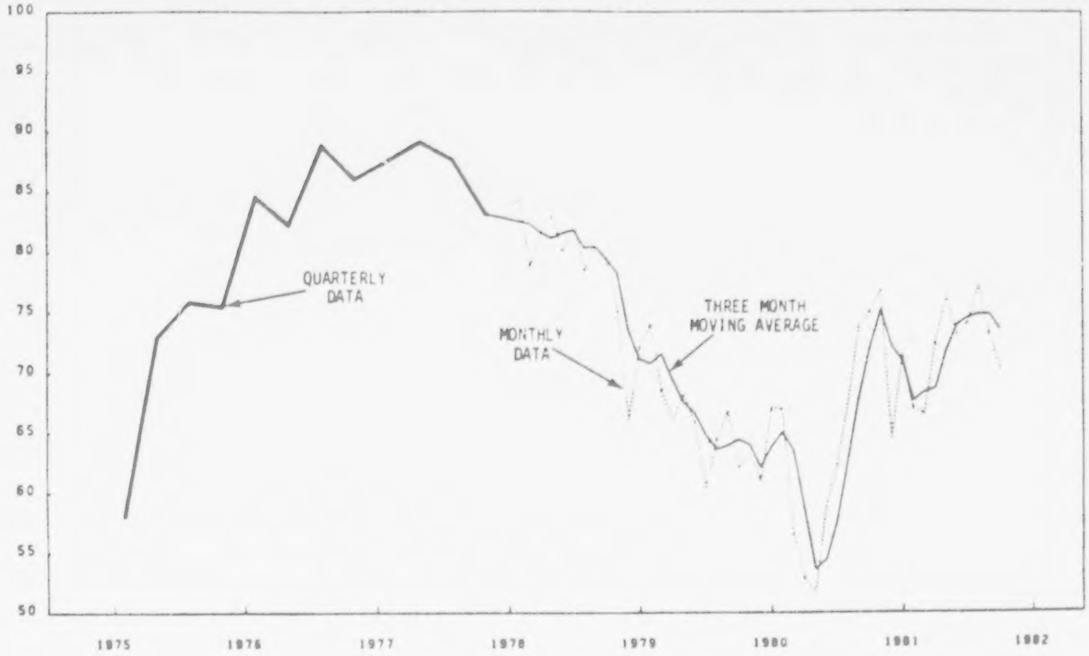


CHART 1 - RECENT CHANGES
THE INDEX OF CONSUMER SENTIMENT

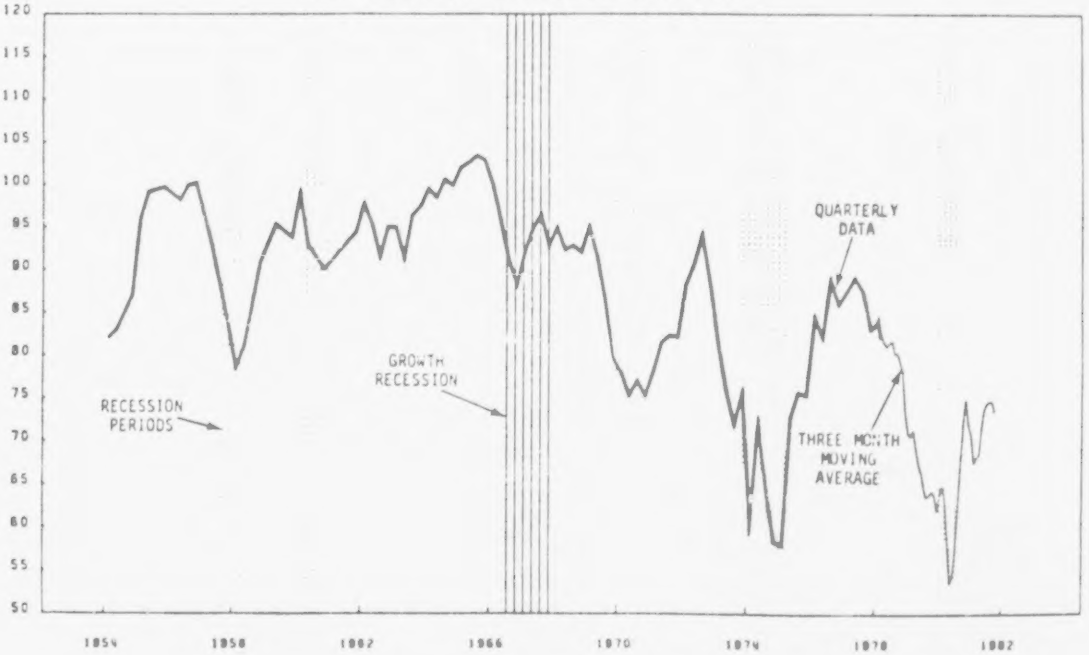


CHART 1 - HISTORICAL SERIES
THE INDEX OF CONSUMER SENTIMENT

## DESCRIPTION OF CHART LINES

QUARTERLY DATA: Data collected by surveys conducted at three-month intervals before 1978.

MONTHLY DATA: Data collected by surveys conducted each month since January of 1978.

THREE-MONTH MOVING AVERAGE: Each point plotted represents the average of the three monthly observations ending at the date plotted.

## TIME SCALE LABELS

Each tic mark on the time scale represents the month of January for the indicated year.

## NATIONAL BUREAU OF ECONOMIC RESEARCH, REFERENCE DATES FOR RECESSIONS

DATES:
November 1948 - October 1949
July 1953 - May 1954
August 1957 - April 1958
April 1960 - February 1961
June 1966 - November 1967*
December 1969 - November 1970
November 1973 - March 1975
January 1980 - July 1980
July 1981 - November 1982

Notes:

RECESSION PERIOD: Reduction in the national output of goods and services, generally lasting at least two quarters.

*GROWTH RECESSION: Retardation in the rate of growth of output and employment (usually followed by a recession and always the initial stage of a recession).

## APPROXIMATE SAMPLING ERRORS[a] OF SURVEY FINDINGS

(In percentages by size of sample or subgroup)

| Reported Percentages | Number of Interviews | | |
|---|---|---|---|
| | 700[b] | 1,400[c] | 2,100[d] |
| 50 | 4.2 | 3.2 | 2.8 |
| 30 or 70 | 3.8 | 2.9 | 2.5 |
| 20 or 80 | 3.4 | 2.6 | 2.2 |
| 10 or 90 | 2.5 | 1.9 | 1.6 |
| 5 or 95 | 1.8 | 1.4 | 1.2 |

---

[a] The figures in this table represent two standard errors. Hence, for most items the chances are 95 in 100 that the value being estimated lies within a range equal to the reported percentages, plus or minus the sampling error.

[b] Average size of monthly surveys.

[c] Average size of two monthly surveys.

[d] Average size of three monthly surveys (one quarter).

3/13/84 U7475-2 A

March 9, 1984

FEBRUARY 1984 MONTHLY REPORT

# Surveys of Consumer Attitudes

Richard T. Curtin, *Director*

## WILLINGNESS TO SPEND ESCALATES

** In the February 1984 survey, the Index of Consumer Sentiment was 97.4, below the record setting 100.1 in January, but higher than any other reading during the prior decade. The recent decline was due to a less optimistic outlook for the economy, largely due to interest rate concerns. These small declines do not detract from the otherwise optimistic level of consumer attitudes and expectations.

** Consumer's evaluations of their personal financial situation improved substantially during the past year, and in early 1984 were more favorable than at any other time during the prior decade. Among all families, 44 percent reported that their financial situation improved during the past year, and 58 percent reported improvement over conditions five years earlier. Future prospects, both near and long term, also improved in the February survey, with 41 percent of all families expecting improvement during the next year, and 56 percent expecting improvement over the next five years.

** An improved financial situation has promoted a greater willingness on the part of consumers to use savings or incur debt to make major purchases. In the February 1984 survey, 40 percent of all families reported a willingness to use accumulated savings, and 29 percent voiced willingness to incur new debt--both figures the highest recorded since the mid-1970s.

** Attitudes toward buying conditions for major household durables, vehicles, and houses remained at very favorable levels in the February 1984 survey. The principal reasons given by respondents for these favorable market evaluations are the appeal of lower prices and lower interest rates.

** Expectations about the future course of the economy remained at very favorable levels in the February 1984 survey, although they have receded from the peaks recorded earlier in 1983. The major concern involves rising interest rates--the proportion of consumers that expected interest rates to increase during the year ahead rose to 42 percent in February, from 32 percent in January, and 24 percent one year earlier.

* * *

The widespread optimism and confidence recorded in the February survey points toward continued growth in consumer sales during 1984. Along with greater sales, these data also indicate that greater pressures on the credit market can be expected in the upcoming months. The length and pace of the recovery will be determined by whether the increases in the demand for credit by the consumer sector, when combined with the needs of the government and the business sectors, can be accommodated without a resurgence in interest rates. Consumer sensitivity to interest rate trends has greatly heightened in recent years, and significant interest rate increases could again cause sharp and rapid reversals in favorable buying attitudes.

Monitoring Economic Change Program
Institute for Social Research • P.O. Box 1248 • Ann Arbor, Michigan 48106-1248 • (313) 763-5224

## Prospects for Family Finances Best in Decade

By the start of 1984 the financial situation of American families had improved substantially over the conditions that prevailed one year earlier. In the February 1984 survey, evaluations of both recent financial progress and expected improvement during the year ahead remained at or near decade peaks. Moreover, these favorable short-term evaluations are now accompanied by more favorable longer-term evaluations of personal financial prospects.

In the February 1984 survey, 44 percent of all families reported that their financial situation had improved during the past year, up from 30 percent in February 1983. Unfavorable evaluations of personal finances fell to 25 percent in February 1984, from 44 percent one year earlier. When asked to explain how their financial situation had changed, families in the February 1984 survey more frequently mentioned receiving income increases than mentioned this one year earlier (35, up from 26 percent), and fewer families mentioned income declines (19, down from 23 percent). Complaints about the adverse impact of inflation on family budgets fell to 15 percent in the February 1984 survey, down from 22 percent one year earlier, and 47 percent three years earlier. These accumulated improvements have resulted in more favorable long-term evaluations of personal financial progress. In the February 1984 survey, 58 percent of all families reported that their financial situation had improved compared with five years earlier, up from 46 percent in the February 1983 survey (see Table A below). The proportion of families that reported their financial situation had worsened during the past five years was 27 percent in the February 1984 survey, down from 39 percent in February 1983.

Consumers remained optimistic about prospects for further improvement in their financial situation during the year ahead. In the February 1984 survey, 41 percent of all families expected their financial situation to improve, up from 33 percent one year earlier. Just 11 percent expected their financial situation to worsen during the year ahead. More families expected their incomes to increase in the February 1984 survey (65 percent) than one year earlier (54 percent). Among families that expected income increases, the February 1984 survey more frequently recorded expected income increases of 1-5% (26 percent), up from 16 percent one year earlier, while expected income increases of 10% or more were reported by 25 percent of families in the February 1984 survey, almost even with the 24 percent recorded one year earlier. The improvement in nominal income expectations, coupled with lower rates of inflation, has led consumers in the February 1984 survey to hold the most favorable real income expectations recorded during the past decade. Two-thirds of all families (69 percent) expected their income to keep pace with or exceed the rate of inflation during the year ahead.

These improvements in short-term prospects have also brightened the longer-term outlook. Among all families in the February 1984 survey, 56 percent expected their financial situation to improve during the next five years, up from 52 percent in 1983, and 39 percent in 1980 (see Table B below). Only one family in ten expected a worsening financial situation during the next five years.

## Willingness to Spend Escalates

The improved financial situation of American families has led to an increased readiness to draw on savings or incur debt in order to finance major purchases. In the February 1984 survey, 40 percent of all families reported that they were willing to draw on accumulated savings to make major purchases, up from 33 percent one year earlier (see Table D below). Willingness to incur new debt was reported by 29 percent of all families in the February 1984 survey, up from 16 percent one year earlier (see Table C below). More consumers reported their willingness to use savings or to incur new debt in order to make major purchases in the February 1984 survey than at any time during the prior five years.

The rise in consumer predisposition to spend has been accompanied by favorable attitudes toward buying conditions for major household durables, vehicles, and houses. Although some small declines from all-time peak levels were recorded in the February 1984 survey, consumer buying attitudes remained at very favorable levels.

Among all families, 70 percent favorably rated buying conditions for large household durables in the February 1984 survey, down from 73 percent in January, but substantially above the 54 percent recorded one year earlier. When asked to explain their views on buying conditions for large household durables, 39 percent of all families in the February 1984 survey mentioned the appeal of lower prices and the availability of good buys, just below the all-time record of 45 percent recorded in the January 1984 survey.

Buying conditions for houses were favorably rated by 63 percent of all families in the February 1984 survey, up from 59 percent in January, and 49 percent one year earlier. When asked to explain their views on buying conditions for houses, families in the February survey more frequently mentioned the availability of lower prices than mentioned this one month earlier (20, up from 15 percent), while fewer families mentioned high housing prices (13, down from 16 percent). In addition, the February 1984 survey recorded a small increase in the proportion of families that mentioned the availability of lower mortgage rates--to 50 from 41 percent; and a small decline in the proportion of families that cited high mortgage rates--to 20, down from 26 percent.

Buying conditions for vehicles were viewed favorably by 62 percent of all families in the February 1984 survey, just below the 64 percent recorded in January, and above the 57 percent recorded in February 1983. This small decline in favorable car buying attitudes was mainly due to less favorable perceptions of market prices. In the February 1984 survey, the proportion of families that mentioned the availability of lower car prices fell to 22 percent from 26 percent one month earlier, while references to high car prices rose to 18 percent from 16 percent.

## Continued Improvement in Economy Expected

In the February 1984 survey, 72 percent of all families reported that the economy had improved during the past year, just below the all time record 75 percent recorded in January. News heard and recalled about recent economic developments centered on improvements in employment (reported by 25 percent of all families), as well as references to increased consumer demand (15 percent). Among all families, 38 percent expected business conditions to improve during the year ahead, below the 46 percent recorded in January 1984, and 45 percent recorded in February 1983. Just 11 percent of all families expect a worsening economy during the year ahead.

Good times in the economy as a whole during the next 12 months were expected by 65 percent of all families in the February 1984 survey, down from the 73 percent recorded in January, but substantially above the 39 percent recorded one year earlier. Prospects over the longer term were viewed favorably by 42 percent of all families in the February 1984 survey, just below the 44 percent recorded in January, but above the 31 percent recorded one year earlier.

Unemployment was expected to decline during the year ahead by 31 percent of all families in the February 1984 survey, approximately twice the number that expected increases in unemployment (16 percent). The most common expectation was that the employment rate would remain largely unchanged at its current level during the upcoming year (50 percent).

In the February 1984 survey, consumers reported that they expected an annual rate of inflation of 5.1% during the year ahead, somewhat above the 4.6% expected in January 1984 and the 4.7% recorded in February 1983. In the January 1984 survey, only one family in five expected prices to increase by more than 5% during the year ahead.

Interest rates were expected to increase during the year ahead by 42 percent of all families in the February 1984 survey, up from 32 percent in January, and 24 percent in February 1983. Just 16 percent of all families expected interest rates to decline in the February 1984 survey, down from 22 percent one year earlier, and 41 percent one month earlier.

* * *

The February 1984 surveys included 687 interviews completed between February 1, 1934 and February 29, 1984.

## TABLE A

### CURRENT FINANCIAL SITUATION COMPARED TO 5 YEARS AGO

| | February Surveys | | | | | |
|---|---|---|---|---|---|---|
| | 1979 | 1980 | 1981 | 1982 | 1983 | 1984 |
| Better off | 51% | 51% | 46% | 53% | 46% | 58% |
| Same | 15 | 12 | 10 | 12 | 14 | 13 |
| Worse off | 33 | 35 | 42 | 34 | 39 | 27 |
| DK, NA | 1 | 2 | 2 | 1 | 1 | 2 |
| Total | 100% | 100% | 100% | 100% | 100% | 100% |
| Cases | 1361 | 1019 | 668 | 700 | 709 | 687 |

The question was: "Now thinking back 5 years, would you say you (and your family living there) are better off or worse off financially now than you were 5 years ago?"

## TABLE B

### EXPECTED CHANGE IN FINANCIAL SITUATION IN 5 YEARS

| | February Surveys | | | | | |
|---|---|---|---|---|---|---|
| | 1979 | 1980 | 1981 | 1982 | 1983 | 1984 |
| Better off | 37% | 39% | 44% | 47% | 52% | 56% |
| Same | 34 | 29 | 27 | 30 | 26 | 29 |
| Worse off | 21 | 26 | 20 | 17 | 14 | 10 |
| DK, NA | 8 | 6 | 9 | 6 | 8 | 5 |
| Total | 100% | 100% | 100% | 100% | 100% | 100% |
| Cases | 1361 | 1019 | 668 | 700 | 709 | 687 |

The question was: "And 5 years from now, do you expect that you (and your family living there) will be better off, worse off, or just about the same as now?"

## TABLE C

## OPINIONS ABOUT WHETHER NOW IS A GOOD TIME TO USE CREDIT FOR MAJOR PURCHASES

| | February Surveys | | | | | |
|---|---|---|---|---|---|---|
| | 1979 | 1980 | 1981 | 1982 | 1983 | 1984 |
| OK to use credit; not especially reluctant | 16% | 19% | 12% | 14% | 16% | 29% |
| Pro-con | 1 | 1 | 1 | 1 | 1 | 1 |
| Not OK to use credit; especially reluctant | 82 | 80 | 85 | 83 | 81 | 68 |
| DK, NA | 1 | * | 2 | 2 | 2 | 2 |
| Total | 100% | 100% | 100% | 100% | 100% | 100% |
| Cases | 1228 | 901 | 668 | 700 | 709 | 687 |

---

*Less than 0.5 percent.

The question was: "If there were something big that you wanted to buy, do you think that now is a time when it would be O.K. for you to buy it on credit, or is now a time when you would be especially reluctant to take on new debt?"

## TABLE D

## OPINIONS ABOUT WHETHER NOW IS A GOOD TIME TO USE SAVINGS FOR MAJOR PURCHASES

(Percentage of families with savings)

| | February Surveys | | | | | |
|---|---|---|---|---|---|---|
| | 1979 | 1980 | 1981 | 1982 | 1983 | 1984 |
| OK to use savings; not especially reluctant | 32% | 38% | 26% | 26% | 33% | 40% |
| Pro-con | 3 | 1 | 3 | 2 | 1 | * |
| Not OK to use savings; expecially reluctant | 63 | 54 | 69 | 70 | 64 | 56 |
| DK, NA | 2 | 7 | 2 | 2 | 2 | 4 |
| Total | 100% | 100% | 100% | 100% | 100% | 100% |
| Cases | 1228 | 901 | 637 | 635 | 646 | 625 |

---

*Less than 0.5 percent.

The question was: "If there were a major purchase that you wanted to make, do you think that now is a time when it would be O.K. to use some of your savings or is now a time when you would be especially reluctant to use some of your savings?"

4/17/84 U7475-2 A

# SURVEYS OF CONSUMER ATTITUDES

SURVEY RESEARCH CENTER
UNIVERSITY OF MICHIGAN

Institute for Social Research

# TABLES AND CHARTS

## MARCH 1984

The March 1984 survey is the 186th in a series of surveys of consumer attitudes conducted by the Survey Research Center at The University of Michigan. Initiated in 1946, these periodic surveys provide regular assessments of consumer attitudes and expectations, and are used to evaluate economic trends and prospects. The surveys are designed to explore why changes in consumer attitudes and expectations occur, and how these changes influence consumer spending and saving decisions.

Two charts highlight recent changes and historical patterns for most questions. Both recent change charts and historical series charts include quarterly data before 1978, and 3 month averages starting in January of 1978. See the explanatory charts at the end of this book for a detailed description.

All surveys are subject to sampling error because not all members of the population are interviewed. Most results on the total sample for this monthly survey will differ by no more than 4 percentage points in either direction from what would have been obtained by using the same methods on the entire population. See the back of this book for sampling error information.

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CHART 1 - RECENT CHANGES
THE INDEX OF CONSUMER SENTIMENT

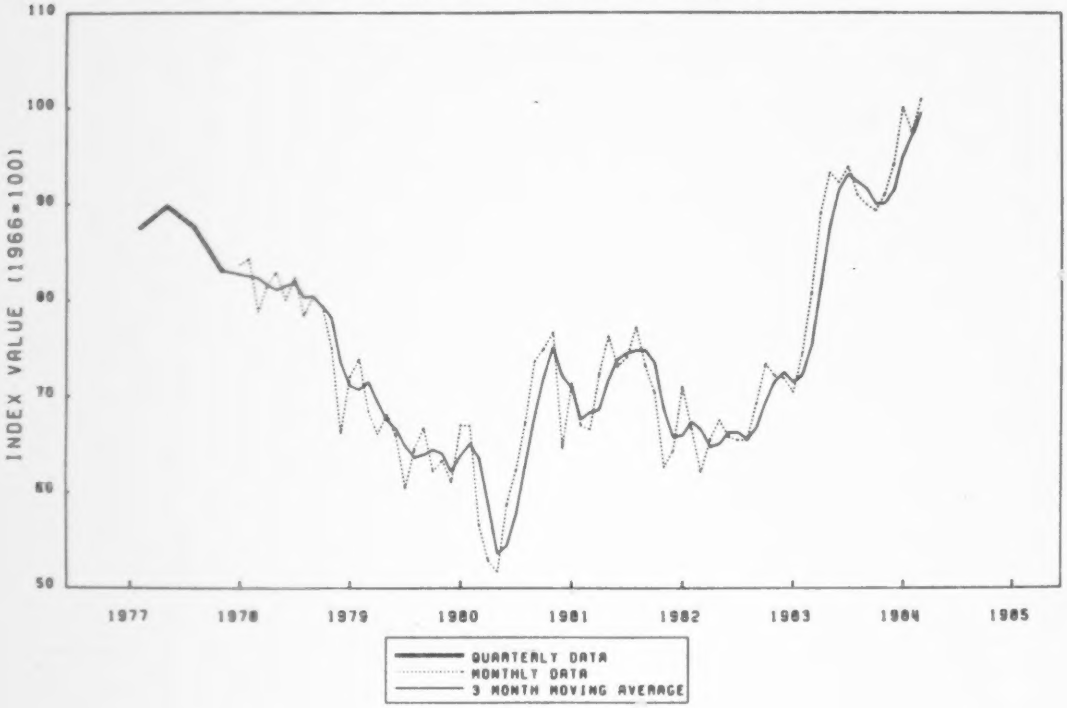


CHART 1 - HISTORICAL SERIES
THE INDEX OF CONSUMER SENTIMENT

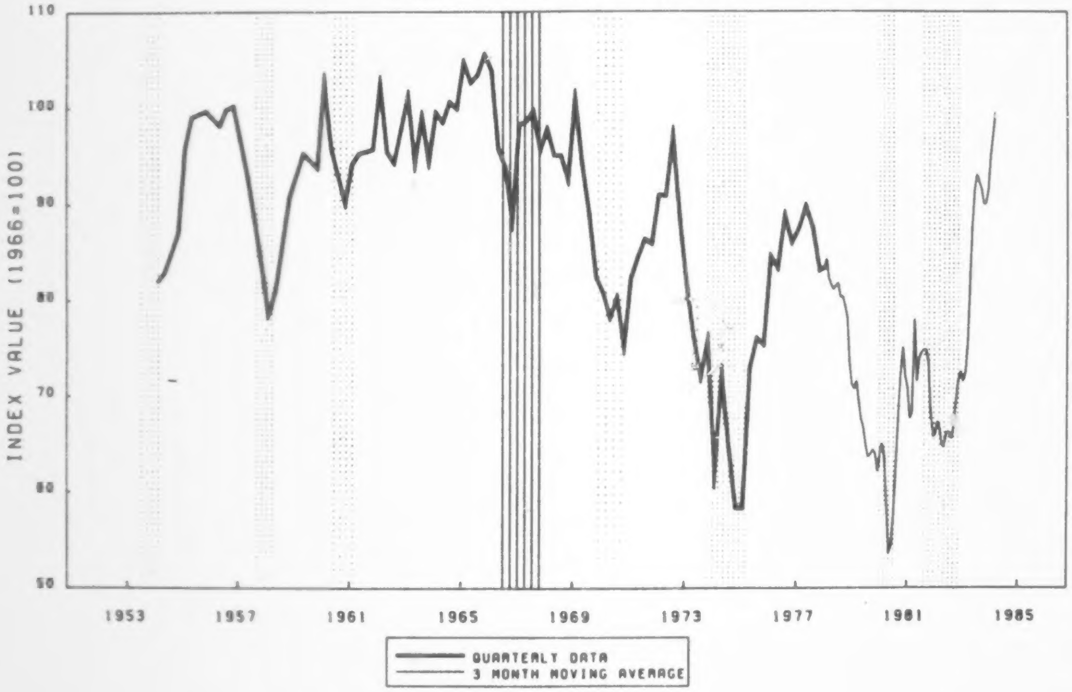


TABLE 1

## THE INDEX OF CONSUMER SENTIMENT

| DATE OF SURVEY | | All families | Families with incomes over $20,000 | Families with incomes over $25,000 |
|---|---|---|---|---|
| March | 1981 | 66.5 | 72.1 | 73.7 |
| April | 1981 | 72.4 | 77.1 | 78.0 |
| May | 1981 | 76.3 | 80.8 | 85.0 |
| June | 1981 | 73.1 | 81.2 | 82.9 |
| July | 1981 | 74.1 | 80.8 | 82.1 |
| August | 1981 | 77.2 | 82.7 | 85.0 |
| September | 1981 | 73.1 | 75.2 | 73.3 |
| October | 1981 | 70.3 | 74.5 | 77.9 |
| November | 1981 | 62.5 | 67.2 | 66.3 |
| December | 1981 | 64.3 | 71.0 | 71.1 |
| January | 1982 | 71.0 | 77.9 | 77.8 |
| February | 1982 | 66.5 | 71.5 | 72.8 |
| March | 1982 | 62.0 | 67.0 | 67.9 |
| April | 1982 | 65.5 | 71.5 | 73.2 |
| May | 1982 | 67.5 | 72.7 | 74.8 |
| June | 1982 | 65.7 | 71.4 | 72.9 |
| July | 1982 | 65.4 | 68.9 | 69.2 |
| August | 1982 | 65.4 | 71.0 | 73.6 |
| September | 1982 | 69.3 | 78.4 | 81.1 |
| October | 1982 | 73.4 | 77.5 | 80.9 |
| November | 1982 | 72.1 | 79.3 | 81.1 |
| December | 1982 | 71.9 | 78.0 | 80.5 |
| January | 1983 | 70.4 | 78.2 | 78.8 |
| February | 1983 | 74.6 | 79.9 | 81.3 |
| March | 1983 | 80.8 | 88.4 | 88.9 |
| April | 1983 | 89.1 | 97.1 | 99.0 |
| May | 1983 | 93.3 | 99.6 | 101.0 |
| June | 1983 | 92.2 | 101.2 | 102.5 |
| July | 1983 | 93.9 | 104.4 | 106.5 |
| August | 1983 | 90.9 | 101.2 | 103.5 |
| September | 1983 | 89.9 | 99.0 | 102.3 |
| October | 1983 | 89.3 | 99.5 | 101.9 |
| November | 1983 | 91.1 | 97.2 | 98.8 |
| December | 1983 | 94.2 | 101.7 | 104.5 |
| January | 1984 | 100.1 | 112.0 | 114.2 |
| February | 1984 | 97.4 | 109.6 | 111.2 |
| March | 1984 | 101.0 | 110.9 | 114.2 |

CHART 2A - HISTORICAL SERIES
INDEX OF CONSUMER SENTIMENT WITHIN REGION SUBGROUPS

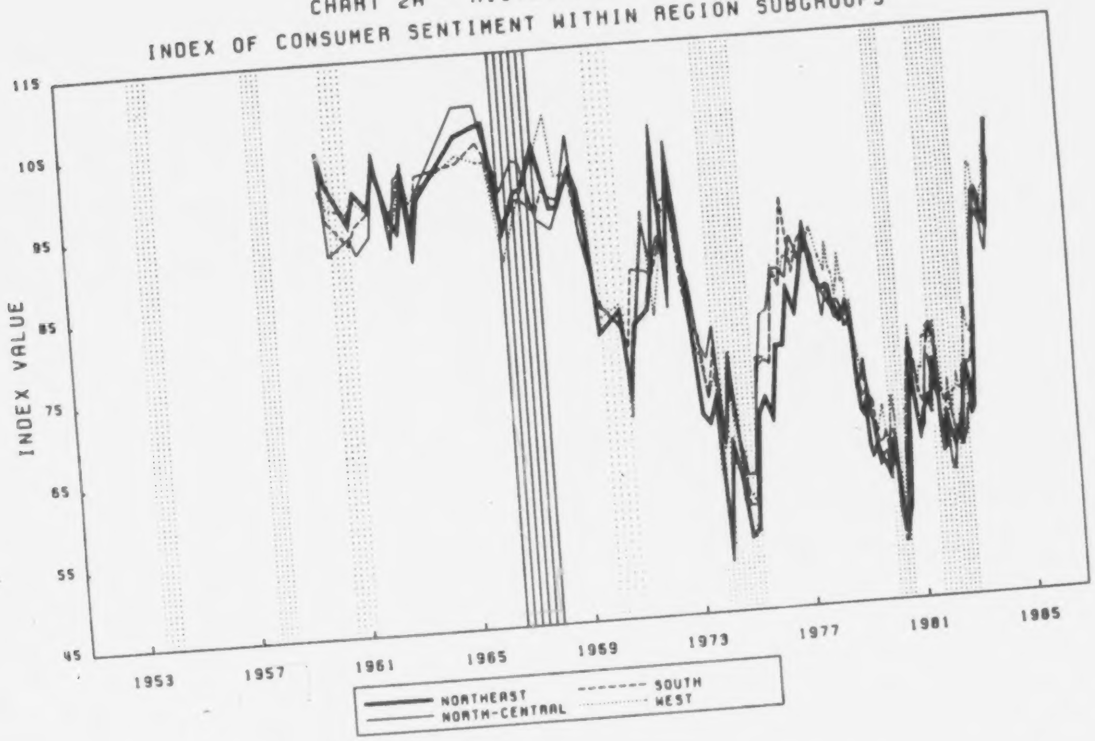
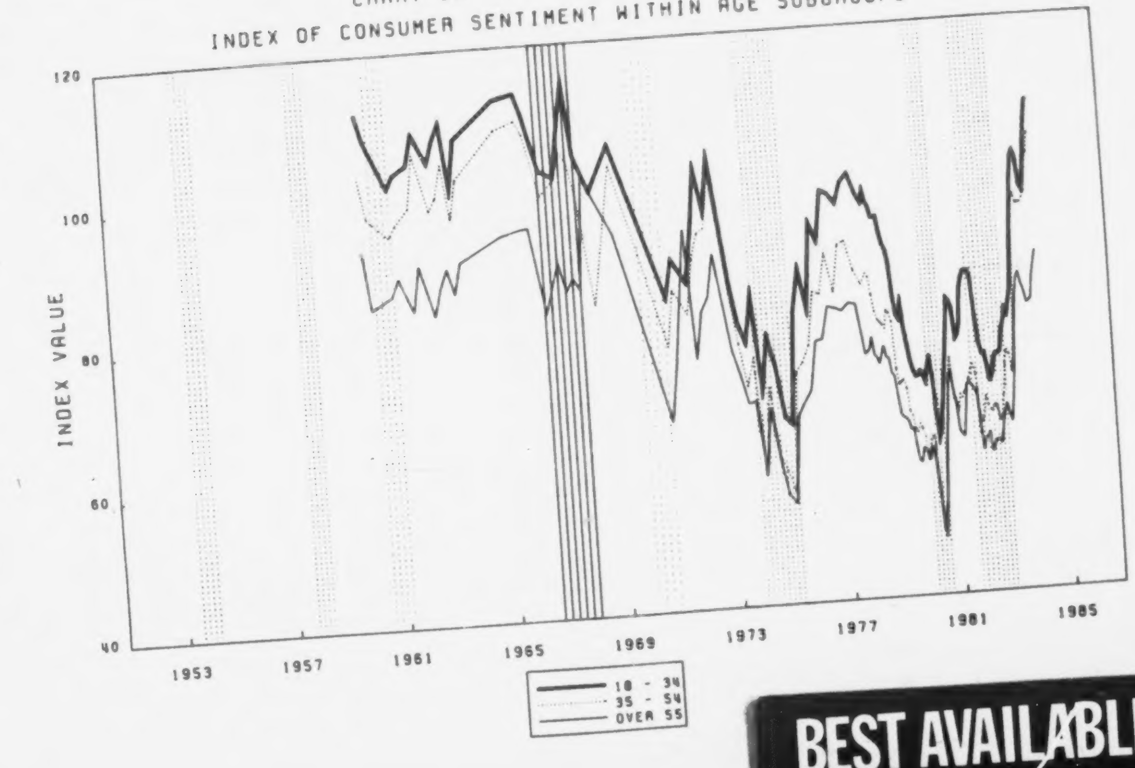


CHART 2B - HISTORICAL SERIES
INDEX OF CONSUMER SENTIMENT WITHIN AGE SUBGROUPS



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## TABLE 2

## INDEX OF CONSUMER SENTIMENT WITHIN REGION AND AGE SUBGROUPS

| | CENSUS REGION | | | | AGE OF RESPONDENT | | |
|---|---|---|---|---|---|---|---|
| DATE OF SURVEY | North East | North Central | South | West | 18-34 | 35-54 | 55+ |
| March 1981 | 66.5 | 62.6 | 64.9 | 73.7 | 77.3 | 63.9 | 58.4 |
| April 1981 | 72.6 | 72.7 | 71.0 | 74.2 | 81.5 | 68.3 | 66.9 |
| May 1981 | 66.8 | 76.6 | 77.5 | 82.2 | 87.7 | 71.2 | 70.0 |
| June 1981 | 68.5 | 74.0 | 75.2 | 73.8 | 81.7 | 67.0 | 69.6 |
| July 1981 | 68.9 | 72.2 | 76.5 | 78.1 | 84.2 | 70.6 | 67.6 |
| August 1981 | 77.0 | 70.1 | 83.2 | 79.2 | 87.8 | 75.0 | 67.9 |
| September 1981 | 75.1 | 69.9 | 72.4 | 76.6 | 81.4 | 68.8 | 69.2 |
| October 1981 | 67.9 | 68.2 | 68.9 | 79.0 | 80.7 | 65.9 | 64.8 |
| November 1981 | 55.8 | 64.7 | 61.1 | 68.8 | 71.3 | 59.6 | 57.7 |
| December 1981 | 65.0 | 65.3 | 64.4 | 61.6 | 70.9 | 65.3 | 56.7 |
| January 1982 | 68.8 | 67.3 | 72.0 | 76.2 | 76.6 | 67.4 | 68.5 |
| February 1982 | 65.9 | 60.6 | 71.8 | 68.8 | 71.5 | 68.3 | 59.0 |
| March 1982 | 60.5 | 55.8 | 64.7 | 68.2 | 65.5 | 61.4 | 58.8 |
| April 1982 | 67.2 | 64.6 | 65.0 | 65.8 | 70.6 | 65.5 | 60.4 |
| May 1982 | 62.4 | 66.5 | 66.6 | 75.7 | 72.7 | 67.6 | 62.0 |
| June 1982 | 65.4 | 65.0 | 64.9 | 68.6 | 72.4 | 64.4 | 60.3 |
| July 1982 | 65.1 | 64.0 | 63.5 | 71.1 | 73.4 | 63.3 | 60.6 |
| August 1982 | 68.1 | 60.6 | 64.0 | 70.6 | 72.6 | 62.9 | 60.2 |
| September 1982 | 70.3 | 67.2 | 71.1 | 68.8 | 73.0 | 66.7 | 68.0 |
| October 1982 | 77.8 | 66.2 | 74.1 | 79.3 | 81.2 | 72.1 | 65.5 |
| November 1982 | 70.6 | 67.9 | 73.2 | 79.3 | 76.6 | 75.7 | 63.8 |
| December 1982 | 66.1 | 70.0 | 72.5 | 80.4 | 78.9 | 71.7 | 64.2 |
| January 1983 | 64.9 | 70.5 | 73.6 | 72.8 | 78.8 | 70.0 | 62.0 |
| February 1983 | 72.1 | 72.3 | 75.8 | 77.2 | 82.1 | 68.3 | 72.4 |
| March 1983 | 82.9 | 73.7 | 82.7 | 84.4 | 84.9 | 81.5 | 75.5 |
| April 1983 | 89.1 | 88.0 | 87.2 | 95.6 | 95.8 | 90.5 | 80.5 |
| May 1983 | 88.3 | 90.7 | 93.3 | 102.7 | 97.2 | 97.1 | 84.9 |
| June 1983 | 95.1 | 88.7 | 92.5 | 94.1 | 97.8 | 94.4 | 83.9 |
| July 1983 | 98.3 | 93.8 | 89.9 | 94.3 | 106.0 | 93.6 | 83.0 |
| August 1983 | 89.6 | 92.0 | 91.3 | 89.6 | 99.2 | 92.9 | 80.0 |
| September 1983 | 92.6 | 87.8 | 89.3 | 90.8 | 94.8 | 94.5 | 80.9 |
| October 1983 | 89.9 | 83.7 | 91.5 | 93.5 | 94.2 | 93.8 | 77.8 |
| November 1983 | 87.7 | 88.3 | 91.5 | 98.5 | 97.2 | 94.6 | 80.7 |
| December 1983 | 91.4 | 96.2 | 95.2 | 92.2 | 102.3 | 97.5 | 81.8 |
| January 1984 | 100.7 | 96.8 | 97.5 | 107.5 | 107.9 | 106.0 | 87.4 |
| February 1984 | 102.3 | 98.4 | 93.5 | 97.1 | 106.2 | 98.9 | 86.5 |
| March 1984 | 104.8 | 98.5 | 102.1 | 97.5 | 109.9 | 105.2 | 86.6 |

CHART 3 - RECENT CHANGES
CURRENT AND EXPECTED COMPONENTS

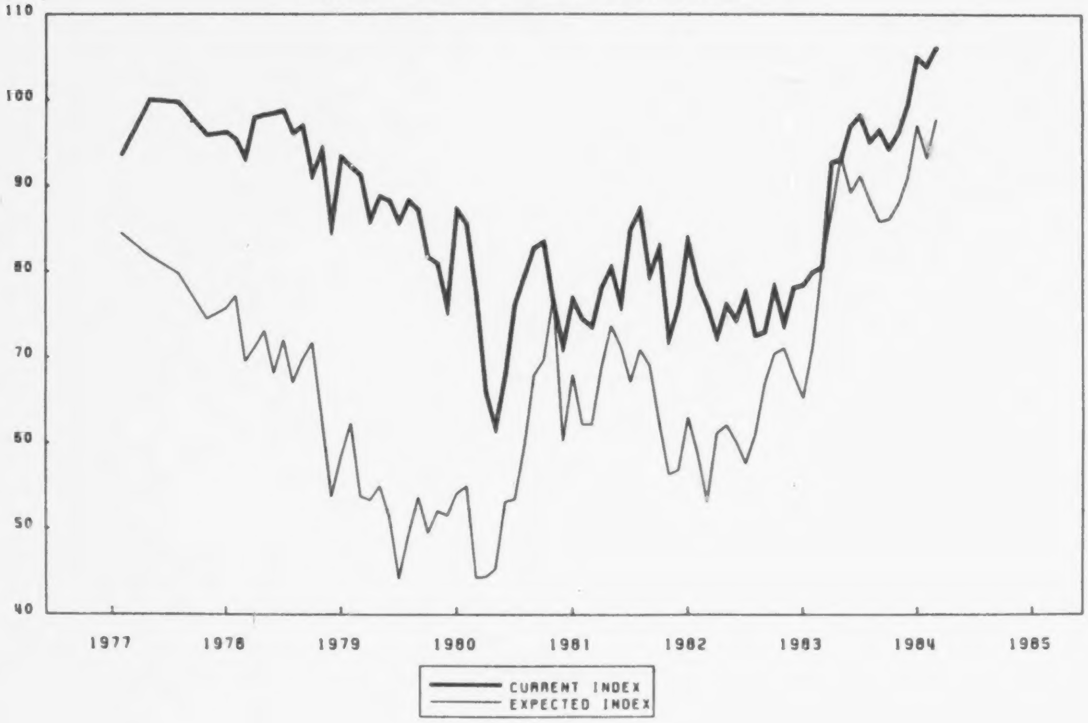
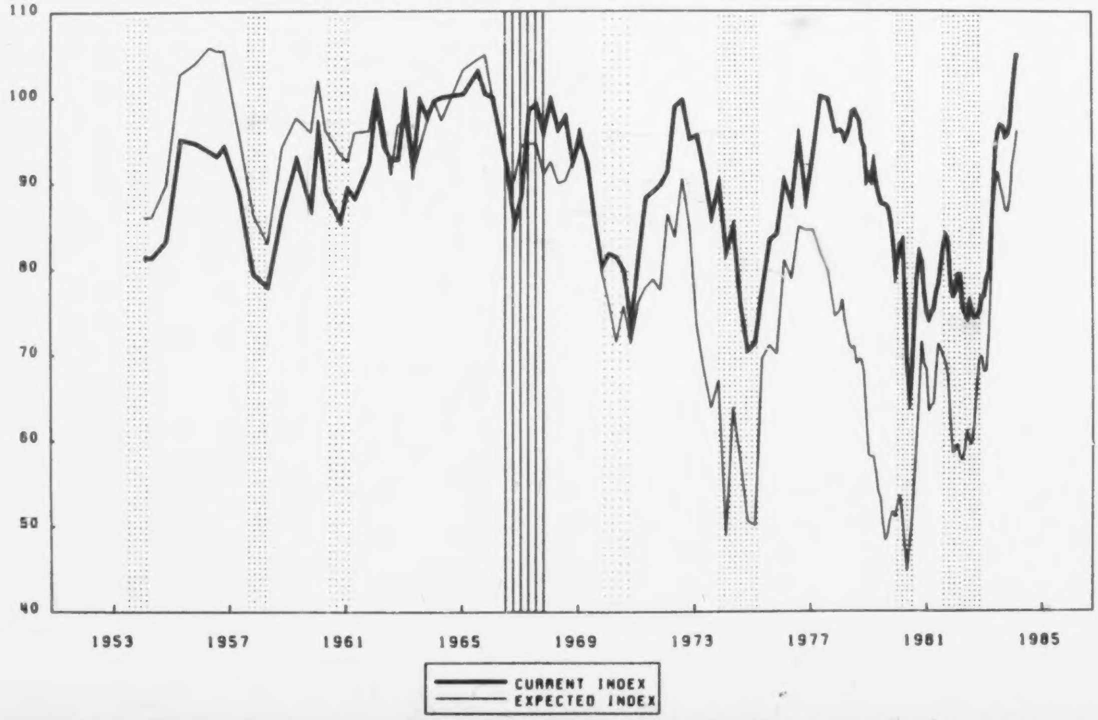


CHART 3 - HISTORICAL SERIES
CURRENT AND EXPECTED COMPONENTS



## TABLE 3

## COMPONENTS OF THE INDEX OF CONSUMER SENTIMENT

| | | INDEX COMPONENTS + | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | | Personal finances | | Business conditions | | | | |
| | | Current | Expected | 12 months | 5 years | Buying conds. | Current Index | Expected Index |
| DATE OF SURVEY | | (1) | (2) | (3) | (4) | (5) | (1,5) | (2,3,4) |
| March | 1981 | 86 | 104 | 68 | 72 | 101 | 73.5 | 62.1 |
| April | 1981 | 79 | 111 | 83 | 78 | 121 | 78.1 | 68.8 |
| May | 1981 | 95 | 118 | 92 | 81 | 111 | 80.4 | 73.6 |
| June | 1981 | 89 | 113 | 91 | 78 | 104 | 76.1 | 71.2 |
| July | 1981 | 99 | 114 | 81 | 70 | 118 | 84.9 | 67.1 |
| August | 1981 | 100 | 117 | 92 | 72 | 123 | 87.1 | 70.8 |
| September | 1981 | 94 | 113 | 80 | 80 | 109 | 79.5 | 69.0 |
| October | 1981 | 95 | 110 | 68 | 67 | 117 | 82.7 | 62.3 |
| November | 1981 | 85 | 110 | 54 | 56 | 99 | 72.1 | 56.3 |
| December | 1981 | 94 | 110 | 54 | 61 | 101 | 75.9 | 56.8 |
| January | 1982 | 92 | 115 | 66 | 70 | 124 | 83.5 | 62.9 |
| February | 1982 | 91 | 112 | 56 | 65 | 111 | 78.6 | 58.7 |
| March | 1982 | 89 | 106 | 44 | 60 | 106 | 75.9 | 53.1 |
| April | 1982 | 87 | 111 | 62 | 70 | 99 | 72.3 | 61.1 |
| May | 1982 | 94 | 113 | 62 | 72 | 102 | 76.1 | 62.0 |
| June | 1982 | 92 | 116 | 58 | 65 | 99 | 74.3 | 60.1 |
| July | 1982 | 90 | 113 | 53 | 63 | 110 | 77.5 | 57.6 |
| August | 1982 | 89 | 110 | 64 | 69 | 97 | 72.5 | 60.9 |
| September | 1982 | 89 | 116 | 76 | 74 | 98 | 72.9 | 66.9 |
| October | 1982 | 95 | 119 | 79 | 83 | 106 | 78.1 | 70.4 |
| November | 1982 | 85 | 121 | 77 | 86 | 105 | 73.8 | 71.0 |
| December | 1982 | 90 | 117 | 74 | 80 | 111 | 78.1 | 67.9 |
| January | 1983 | 91 | 115 | 76 | 69 | 111 | 78.4 | 65.2 |
| February | 1983 | 89 | 117 | 87 | 81 | 117 | 79.9 | 71.2 |
| March | 1983 | 92 | 126 | 113 | 85 | 115 | 80.5 | 80.9 |
| April | 1983 | 108 | 131 | 120 | 99 | 131 | 92.7 | 86.9 |
| May | 1983 | 101 | 137 | 139 | 100 | 139 | 93.1 | 93.4 |
| June | 1983 | 110 | 128 | 134 | 97 | 141 | 96.9 | 89.2 |
| July | 1983 | 111 | 126 | 136 | 104 | 143 | 98.1 | 91.1 |
| August | 1983 | 106 | 124 | 130 | 100 | 140 | 95.1 | 88.2 |
| September | 1983 | 109 | 125 | 125 | 95 | 140 | 96.4 | 85.8 |
| October | 1983 | 104 | 124 | 124 | 98 | 140 | 94.3 | 86.1 |
| November | 1983 | 111 | 127 | 129 | 98 | 138 | 96.1 | 87.9 |
| December | 1983 | 123 | 125 | 140 | 102 | 134 | 99.3 | 91.0 |
| January | 1984 | 117 | 129 | 154 | 108 | 155 | 104.9 | 97.0 |
| February | 1984 | 119 | 130 | 139 | 106 | 151 | 103.9 | 93.2 |
| March | 1984 | 122 | 135 | 146 | 113 | 153 | 106.0 | 97.7 |

(1) See Table 4.
(2) See Table 6.
(3) See Table 18.
(4) See Table 19.

CHART 4 - RECENT CHANGES
CURRENT FINANCIAL SITUATION COMPARED WITH A YEAR AGO

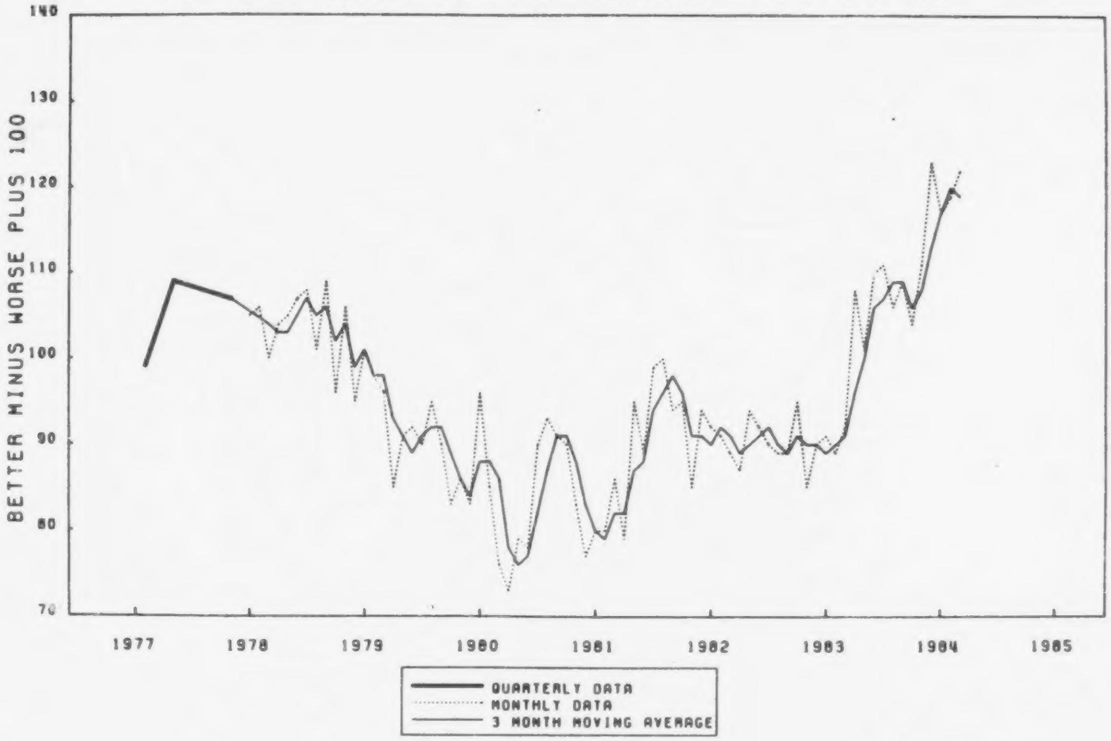
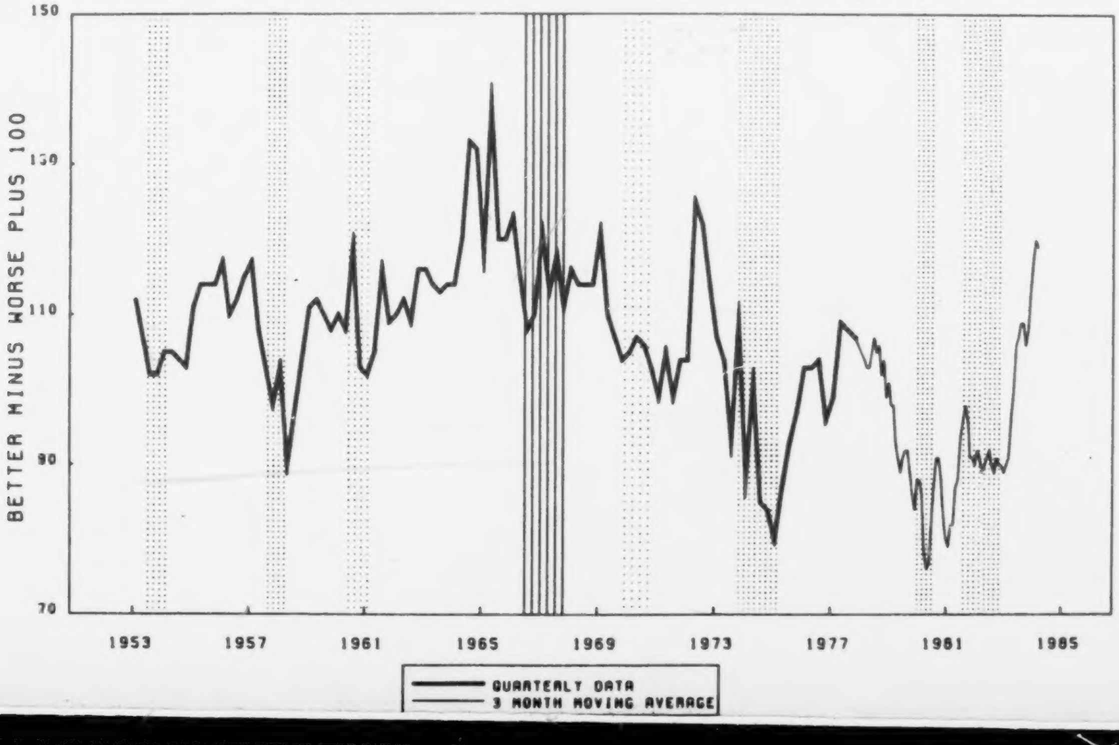


CHART 4 - HISTORICAL SERIES
CURRENT FINANCIAL SITUATION COMPARED WITH A YEAR AGO



## TABLE 4

## CURRENT FINANCIAL SITUATION COMPARED TO A YEAR AGO

| | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| BETTER OFF | 31% | 39% | 34% | 38% | 40% | 36% | 38% | 36% | 38% | 45% | 42% | 44% | 48% |
| SAME | 30 | 30 | 33 | 33 | 31 | 34 | 33 | 32 | 35 | 33 | 32 | 31 | 26 |
| WORSE OFF | 39 | 31 | 33 | 28 | 29 | 30 | 29 | 32 | 27 | 22 | 25 | 25 | 26 |
| DK,NA | * | * | * | 1 | * | * | * | * | * | * | 1 | * | * |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 |

The question was: "We are interested in how people are getting along financially these days. Would you say that you (and your family living there) are better off or worse off financially than you were a year ago?"

* : Less than half of one percent.

CHART 5 - RECENT CHANGES
REASONS FOR OPINIONS ABOUT PERSONAL FINANCIAL SITUATION

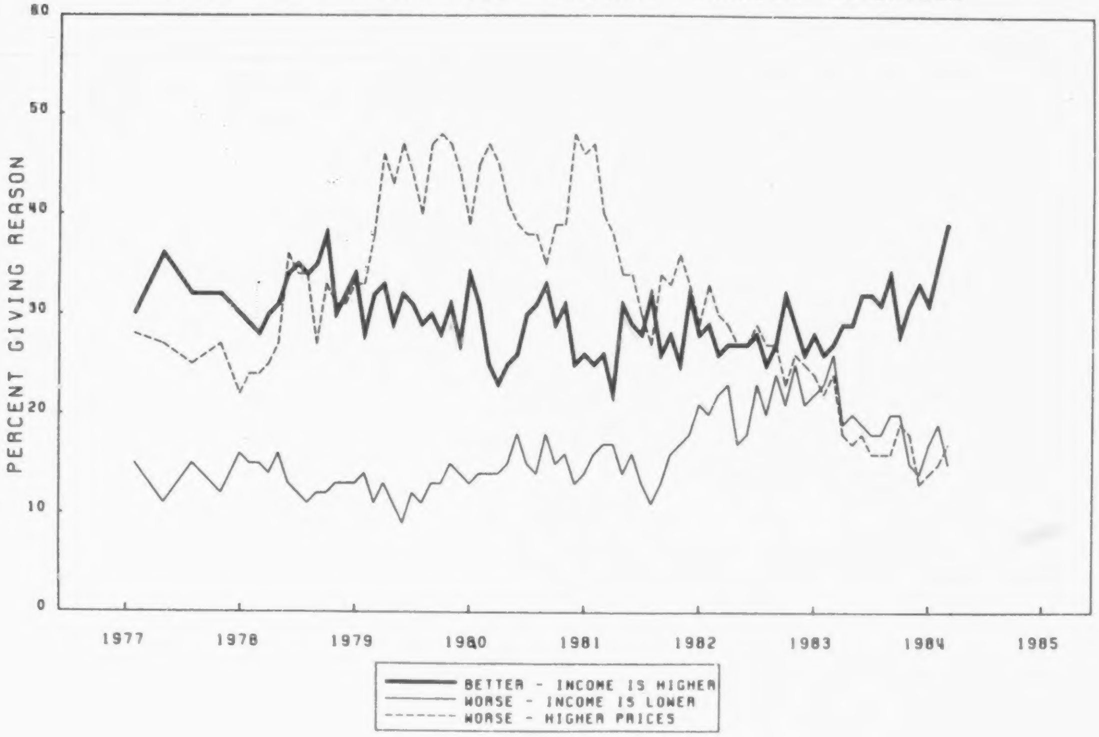
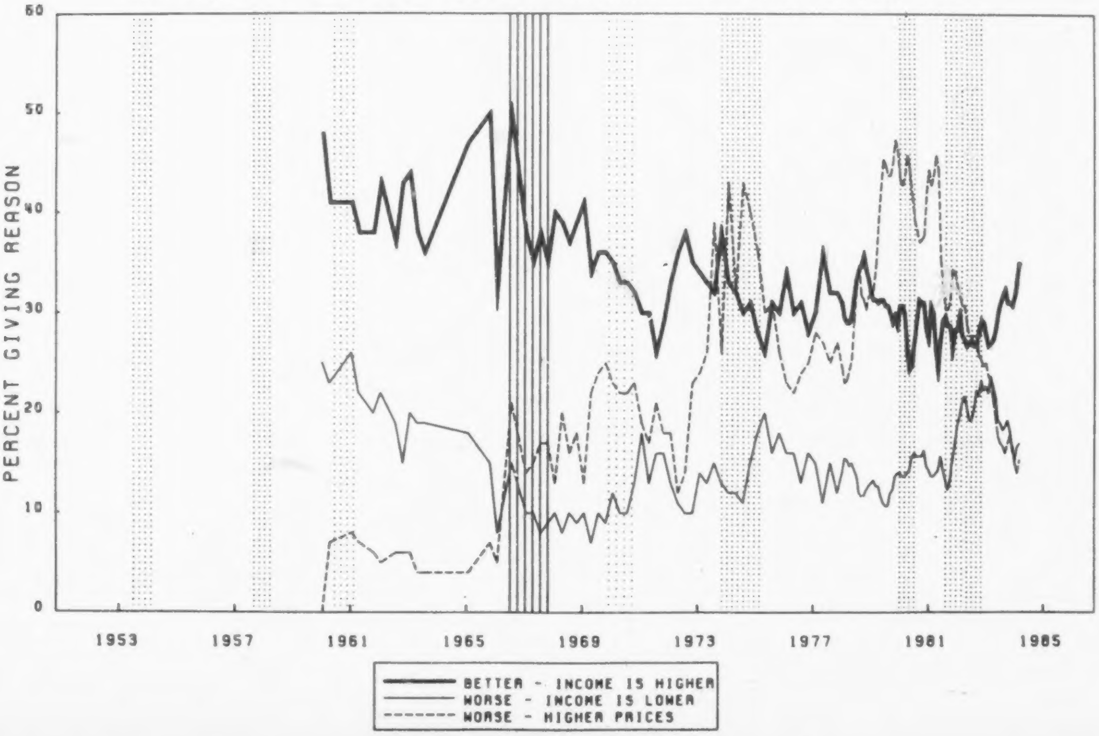


CHART 5 - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT PERSONAL FINANCIAL SITUATION



## TABLE 5

## SELECTED REASONS FOR OPINIONS ABOUT PERSONAL FINANCIAL SITUATION +

| | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| BETTER OFF THAN YEAR AGO: | | | | | | | | | | | | | |
| Income is higher | 27% | 29% | 29% | 32% | 32% | 31% | 34% | 28% | 31% | 33% | 31% | 35% | 39% |
| WORSE OFF THAN YEAR AGO: | | | | | | | | | | | | | |
| Income is lower | 26 | 19 | 20 | 19 | 18 | 18 | 20 | 20 | 15 | 14 | 17 | 19 | 15 |
| Higher prices | 24 | 18 | 17 | 18 | 16 | 16 | 16 | 19 | 18 | 13 | 14 | 15 | 17 |

Responses to the query: "Why do you say so?" following the question on Table 4.

+ : May add to more than 100% due to multiple mentions.

CHART 6 - RECENT CHANGES
EXPECTED CHANGE IN FINANCIAL SITUATION

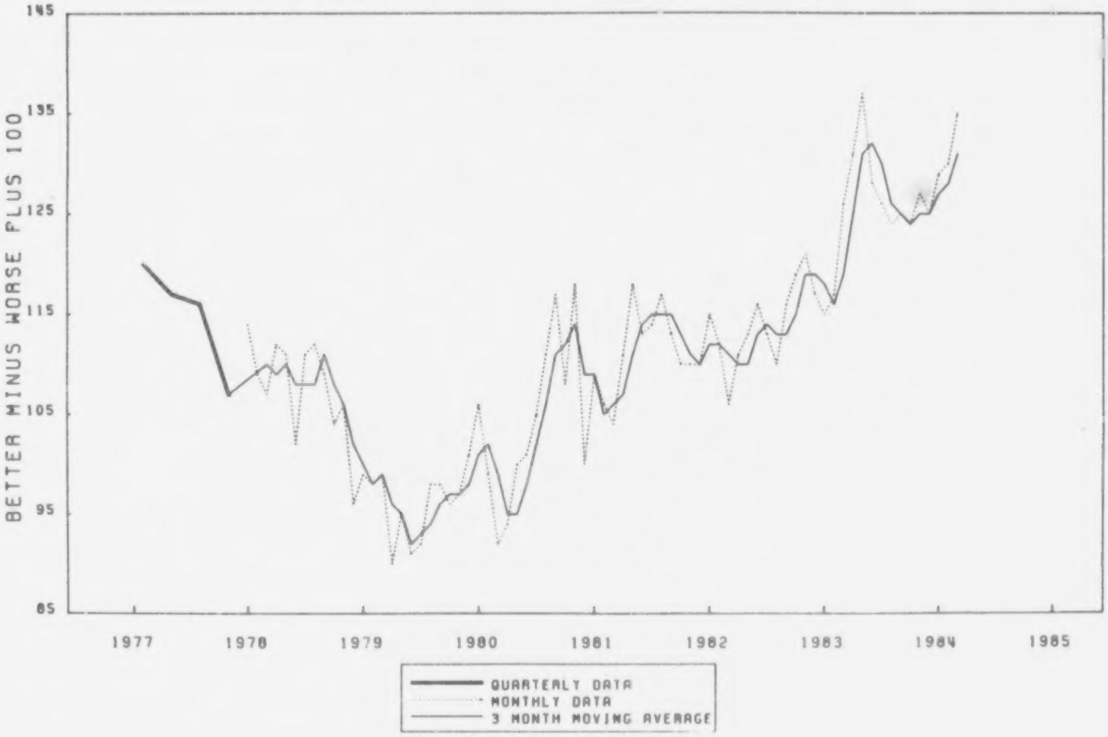
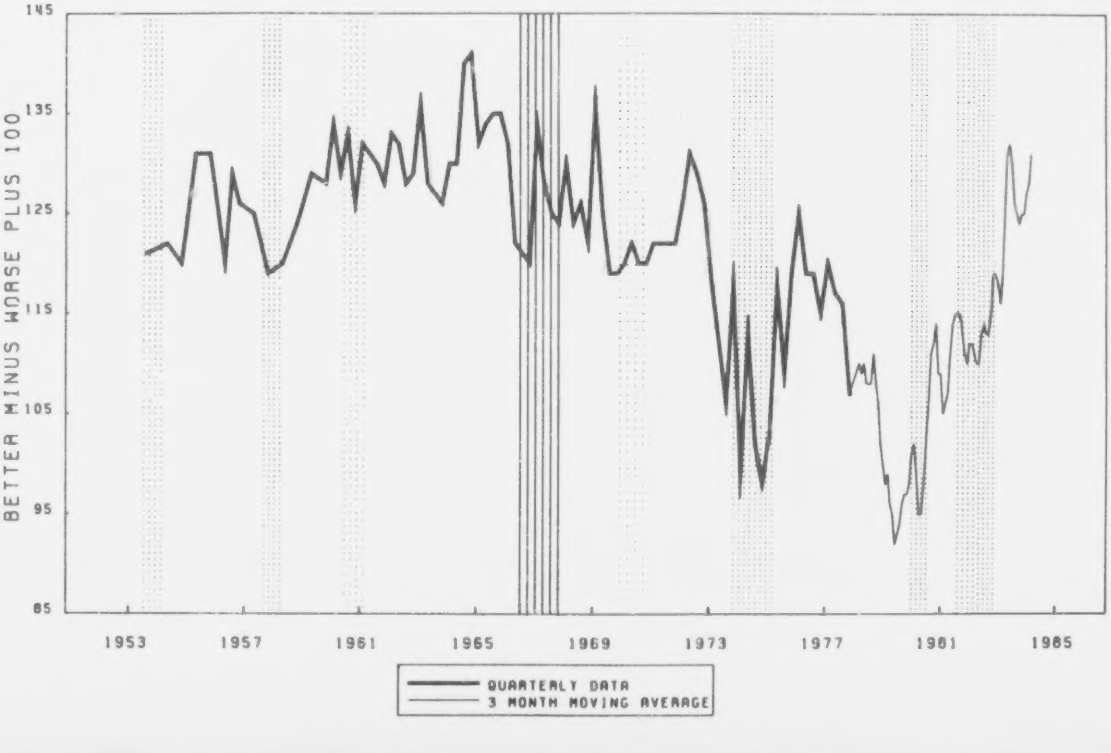


CHART 6 - HISTORICAL SERIES
EXPECTED CHANGE IN FINANCIAL SITUATION



## TABLE 6

## EXPECTED CHANGE IN FINANCIAL SITUATION

| | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| BETTER OFF | 39% | 40% | 43% | 37% | 35% | 37% | 37% | 37% | 38% | 35% | 38% | 41% | 44% |
| SAME | 46 | 47 | 47 | 52 | 52 | 46 | 48 | 46 | 47 | 51 | 50 | 44 | 44 |
| WORSE OFF | 13 | 9 | 6 | 9 | 9 | 13 | 12 | 13 | 11 | 10 | 9 | 11 | 9 |
| DK,NA | 2 | 4 | 4 | 2 | 4 | 4 | 3 | 4 | 4 | 4 | 3 | 4 | 3 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 |

The question was: "Now looking ahead--do you think that a year from now you (and your family living there) will be better off financially, or worse off, or just about the same as now?"

CHART 7 - RECENT CHANGES
TREND IN PERSONAL FINANCIAL SITUATION

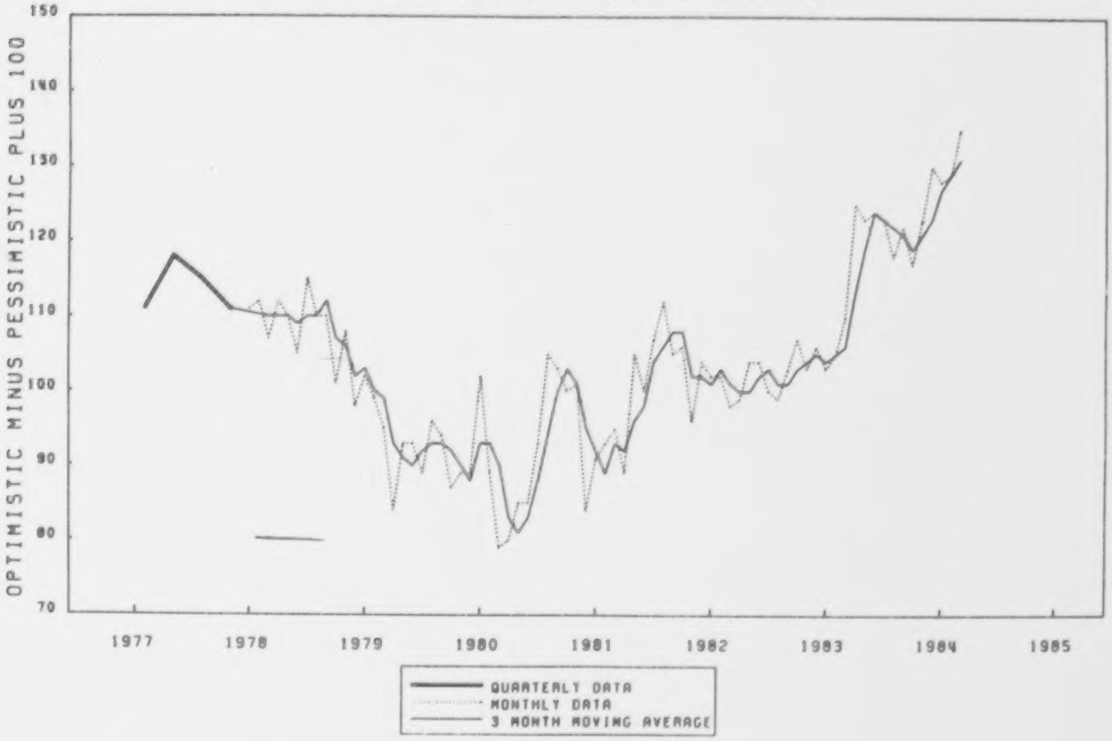
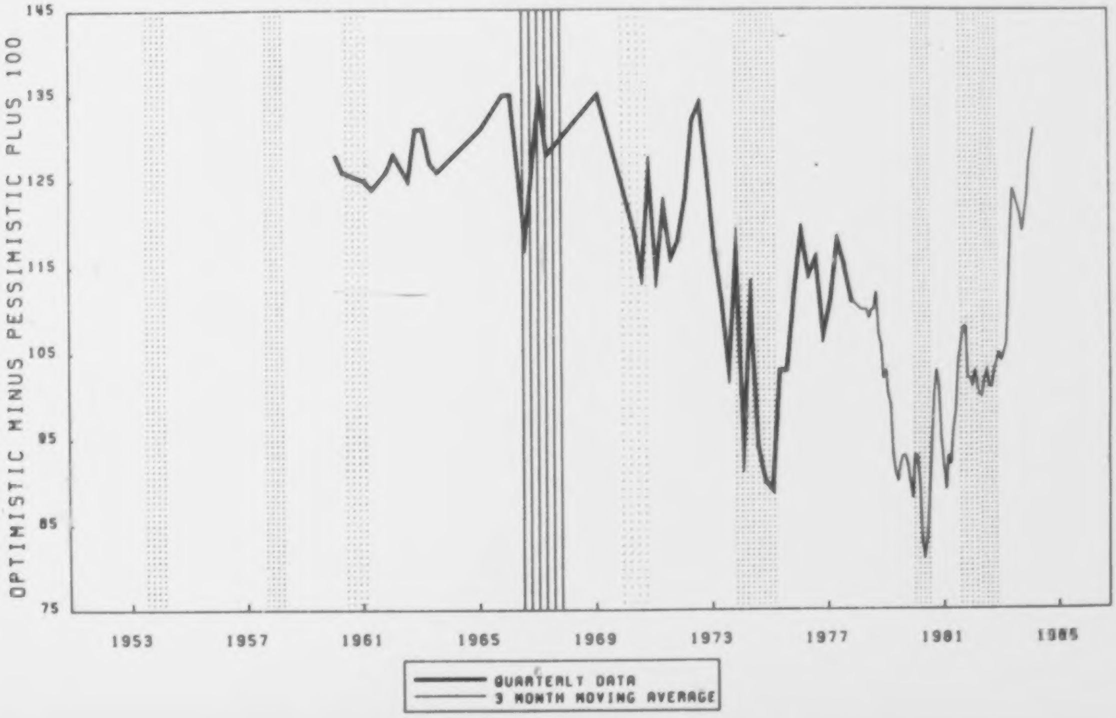


CHART 7 - HISTORICAL SERIES
TREND IN PERSONAL FINANCIAL SITUATION



## TABLE 7

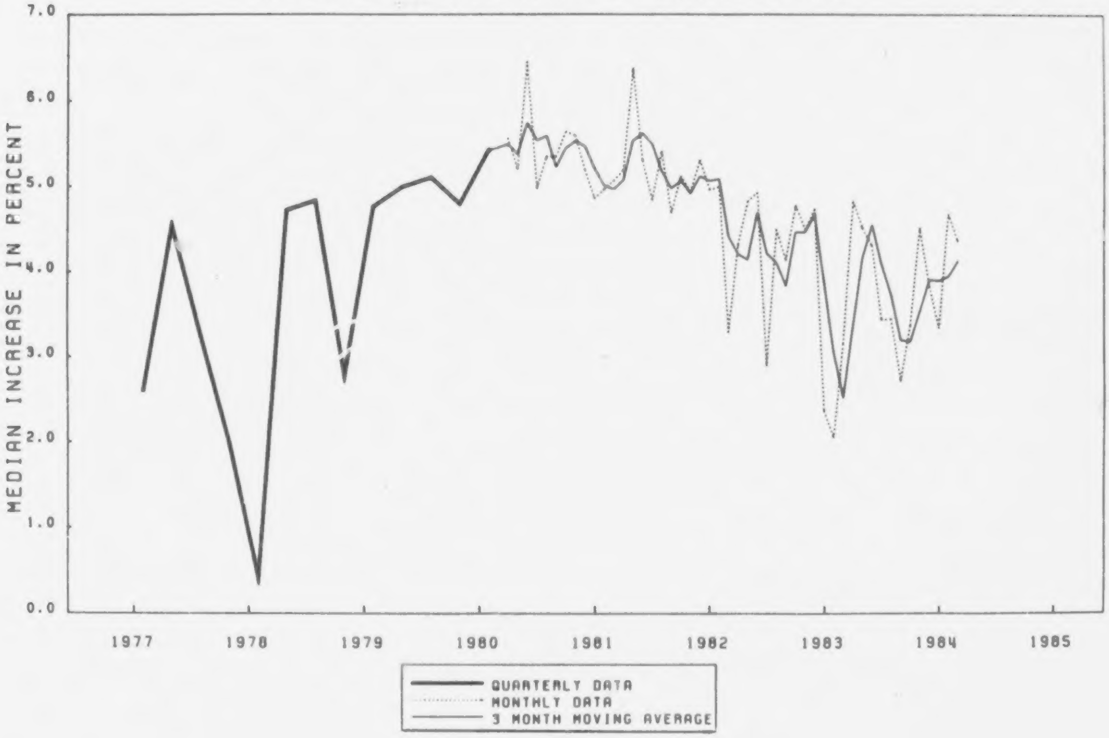
## TREND IN PERSONAL FINANCIAL SITUATION

| | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| PERSONAL FINANCIAL PROGRESS: | | | | | | | | | | | | | |
| Continuous increase (a) | 16% | 19% | 18% | 19% | 20% | 19% | 18% | 19% | 20% | 22% | 22% | 24% | 27% |
| Intermittent increase (b) | 22 | 26 | 25 | 26 | 24 | 23 | 27 | 23 | 23 | 26 | 26 | 25 | 27 |
| Remain unchanged (c) | 16 | 18 | 18 | 20 | 21 | 19 | 18 | 18 | 21 | 22 | 18 | 17 | 14 |
| Intermittent decline (d) | 21 | 15 | 18 | 17 | 16 | 18 | 17 | 18 | 15 | 13 | 16 | 16 | 14 |
| Continuous decline (e) | 7 | 5 | 2 | 4 | 5 | 6 | 6 | 7 | 5 | 5 | 4 | 4 | 5 |
| Mixed change (f) | 16 | 13 | 15 | 11 | 10 | 10 | 11 | 11 | 11 | 8 | 10 | 10 | 10 |
| DK,NA | 2 | 4 | 4 | 3 | 4 | 5 | 3 | 4 | 5 | 4 | 4 | 4 | 3 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 |

Combination of the responses to the questions on Tables 4 and 6.

Key: (a) Better off financially than a year ago/Better off a year from now
(b) Better/Same or Same/Better
(c) Same/Same
(d) Worse/Same or Same/Worse
(e) Worse/Worse
(f) Worse/Better or Better/Worse

CHART 8 - RECENT CHANGES
MEDIAN EXPECTED CHANGE IN FAMILY INCOME



## TABLE 8

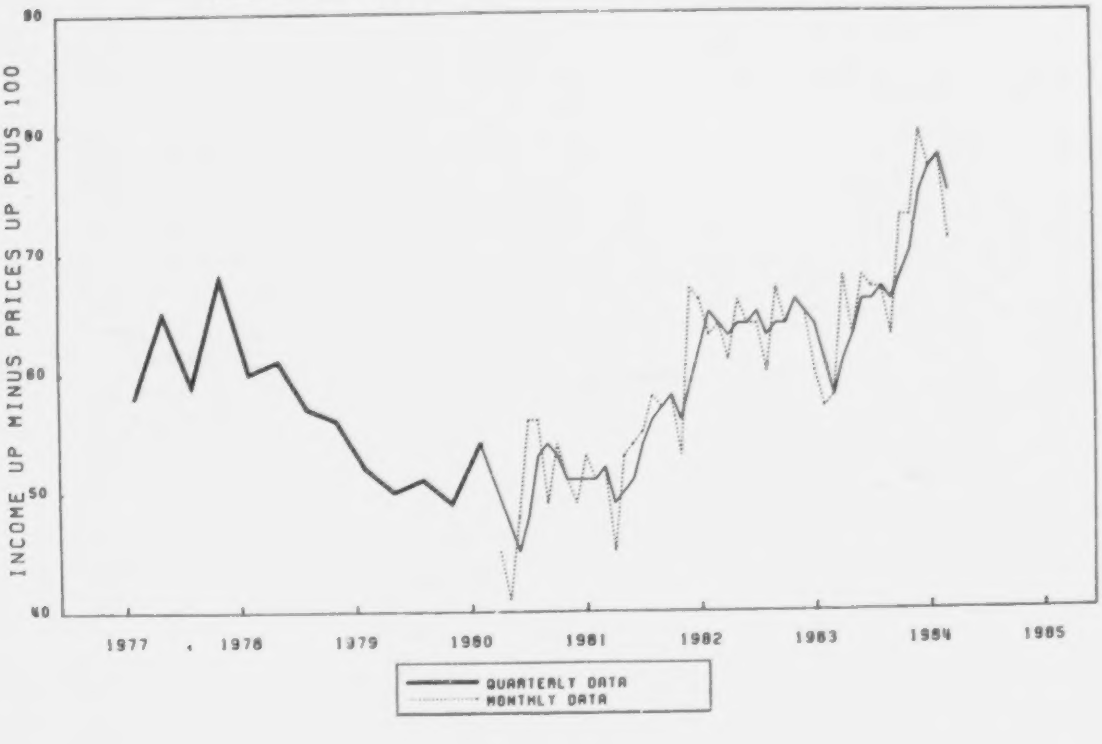
## EXPECTED FAMILY INCOME CHANGE DURING THE NEXT 12 MONTHS

| | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| EXPECT INCREASE: | | | | | | | | | | | | | |
| 1-4% | 7% | 9% | 8% | 8% | 9% | 13% | 11% | 11% | 12% | 12% | 15% | 13% | 14% |
| 5% | 10 | 12 | 9 | 11 | 12 | 10 | 12 | 10 | 9 | 10 | 11 | 13 | 9 |
| 6-9% | 10 | 12 | 8 | 11 | 10 | 10 | 5 | 10 | 8 | 10 | 8 | 10 | 8 |
| 10-24% | 16 | 19 | 20 | 16 | 15 | 15 | 14 | 15 | 19 | 16 | 16 | 19 | 18 |
| 25% or more | 7 | 7 | 9 | 8 | 7 | 8 | 9 | 7 | 8 | 7 | 7 | 6 | 11 |
| DK how much up | 5 | 4 | 5 | 4 | 4 | 4 | 6 | 5 | 7 | 5 | 4 | 4 | 6 |
| EXPECT SAME | 26 | 25 | 26 | 28 | 28 | 23 | 30 | 26 | 23 | 26 | 27 | 22 | 26 |
| EXPECT DOWN | 17 | 10 | 14 | 13 | 13 | 14 | 12 | 13 | 11 | 12 | 10 | 11 | 7 |
| DK,NA | 2 | 2 | 1 | 1 | 2 | 3 | 1 | 3 | 3 | 2 | 2 | 2 | 1 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 |

The questions were: "During the next 12 months, do you expect your (family) income to be higher or lower than during the past year?" and "By about what percent do you expect your (family) income to increase during the next 12 months?"

CHART 9 - RECENT CHANGES

INCOME OR PRICES UP MORE DURING THE LAST YEAR



## TABLE 9

### PAST CHANGE IN REAL FAMILY INCOME

| | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| INCOME UP MORE | 16% | 17% | 16% | 17% | 18% | 20% | 15% | 20% | 22% | 23% | 23% | 22% | 20% |
| INCOME UP SAME | 25 | 32 | 30 | 32 | 29 | 26 | 31 | 32 | 28 | 32 | 29 | 32 | 30 |
| PRICES UP MORE | 58 | 49 | 53 | 49 | 51 | 53 | 52 | 47 | 49 | 43 | 46 | 44 | 49 |
| DK,NA | 1 | 2 | 1 | 2 | 2 | 1 | 2 | 1 | 1 | 2 | 2 | 2 | 1 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 |

The question was: "During the last year or two, would you say that your (family) income went up more than prices, went up about the same as prices, or went up less than prices?"

CHART 10 - RECENT CHANGES
INCOME OR PRICES UP MORE NEXT YEAR

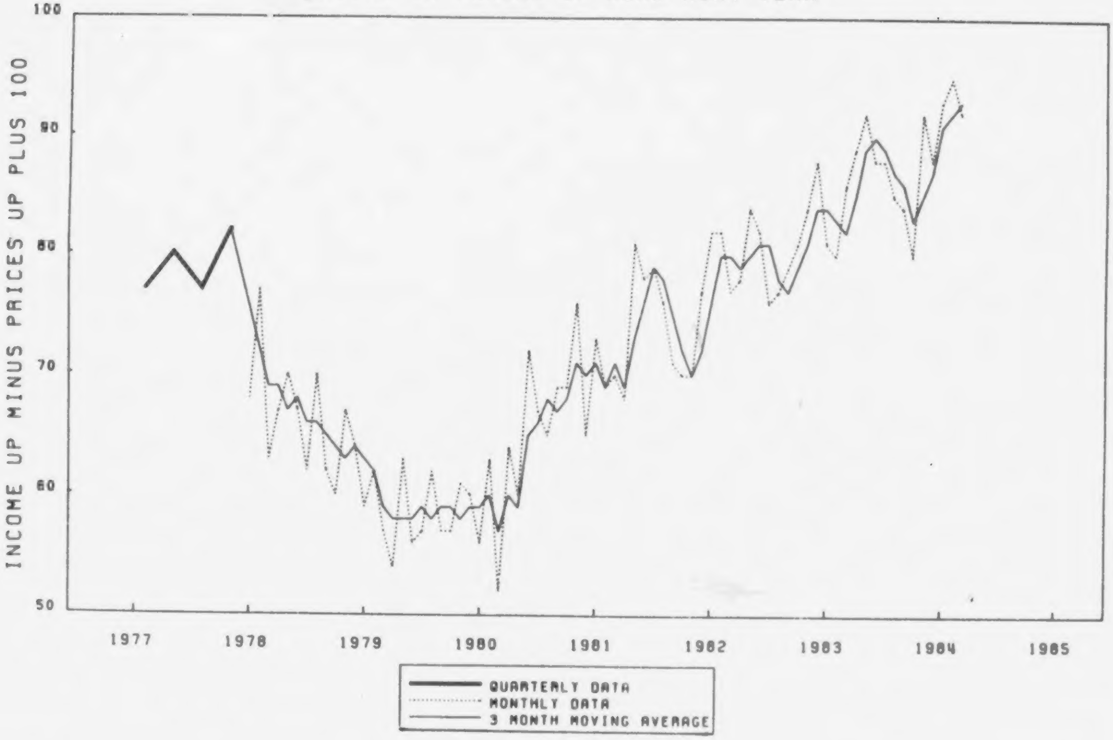


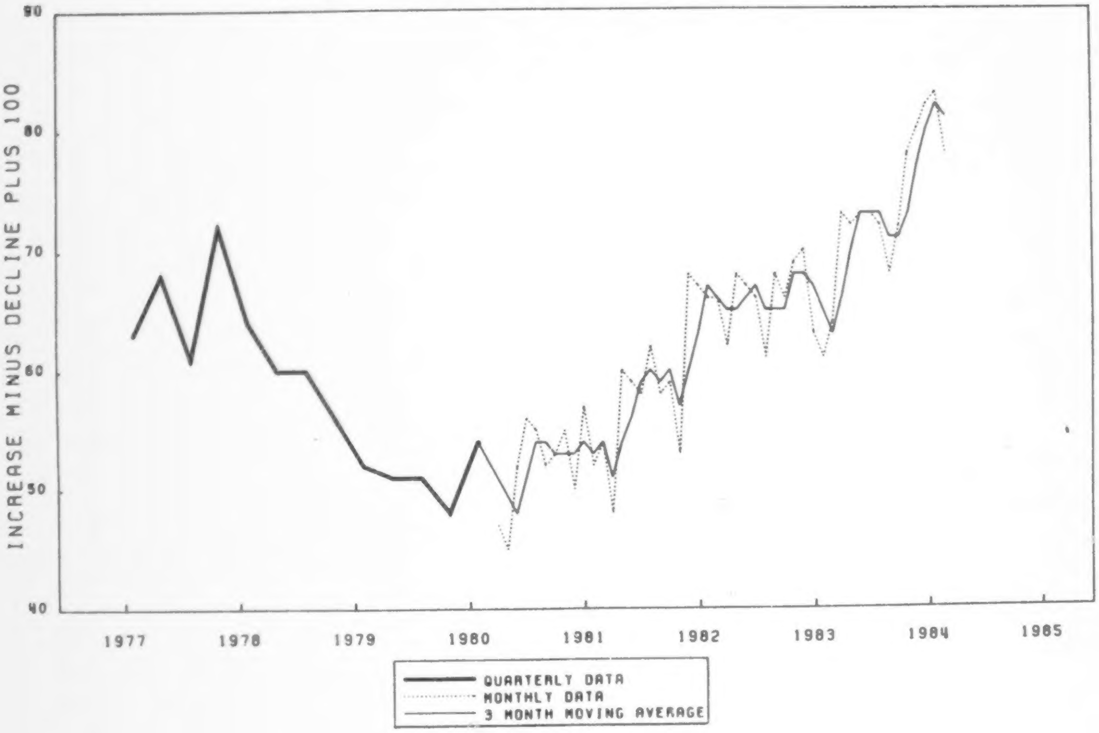
TABLE 10

EXPECTED CHANGE IN REAL FAMILY INCOME

| | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| INCOME UP MORE | 21% | 19% | 24% | 20% | 22% | 19% | 19% | 18% | 23% | 20% | 23% | 24% | 23% |
| INCOME UP SAME | 41 | 46 | 42 | 46 | 41 | 43 | 44 | 41 | 42 | 45 | 45 | 45 | 44 |
| PRICES UP MORE | 35 | 30 | 32 | 32 | 34 | 34 | 35 | 38 | 31 | 32 | 30 | 29 | 31 |
| DK,NA | 3 | 5 | 2 | 2 | 3 | 4 | 2 | 3 | 4 | 3 | 2 | 2 | 2 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 |

The question was: "How about the next year or two--do you expect that your (family) income will go up more than prices will go up, about the same, or less than prices will go up?"

CHART 11 - RECENT CHANGES
TREND IN INCOME AND PRICE COMPARISON



## TABLE 11

## TREND IN FAMILY INCOME AND PRICES COMPARISONS

| | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| REAL INCOME PROGRESS: | | | | | | | | | | | | | |
| Continuous increase (a) | 10% | 9% | 10% | 9% | 10% | 10% | 8% | 11% | 13% | 12% | 12% | 13% | 12% |
| Intermittent increase (b) | 8 | 11 | 10 | 12 | 13 | 13 | 10 | 10 | 12 | 14 | 14 | 13 | 12 |
| Remain unchanged (c) | 15 | 21 | 19 | 21 | 17 | 16 | 21 | 20 | 17 | 19 | 19 | 20 | 20 |
| Intermittent decline (d) | 27 | 23 | 23 | 23 | 23 | 24 | 23 | 21 | 23 | 23 | 21 | 22 | 20 |
| Continuous decline (e) | 27 | 24 | 25 | 25 | 27 | 27 | 27 | 28 | 24 | 23 | 23 | 21 | 26 |
| Mixed change (f) | 9 | 7 | 11 | 7 | 7 | 6 | 8 | 7 | 7 | 6 | 8 | 6 | 8 |
| DK,NA | 4 | 5 | 2 | 3 | 3 | 4 | 3 | 3 | 4 | 3 | 3 | 5 | 2 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 |

Combination of the responses to the questions on Tables 9 and 10.

Key: (a) Income up more last year/Income up more next year
(b) Income up more/Same or Income up same/More
(c) Income up same/Same
(d) Prices up more/Same or Prices up same/More
(e) Prices up more/More
(f) Income up more/Prices up more or Prices up more/Income up more

CHART 12 - RECENT CHANGES

NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS

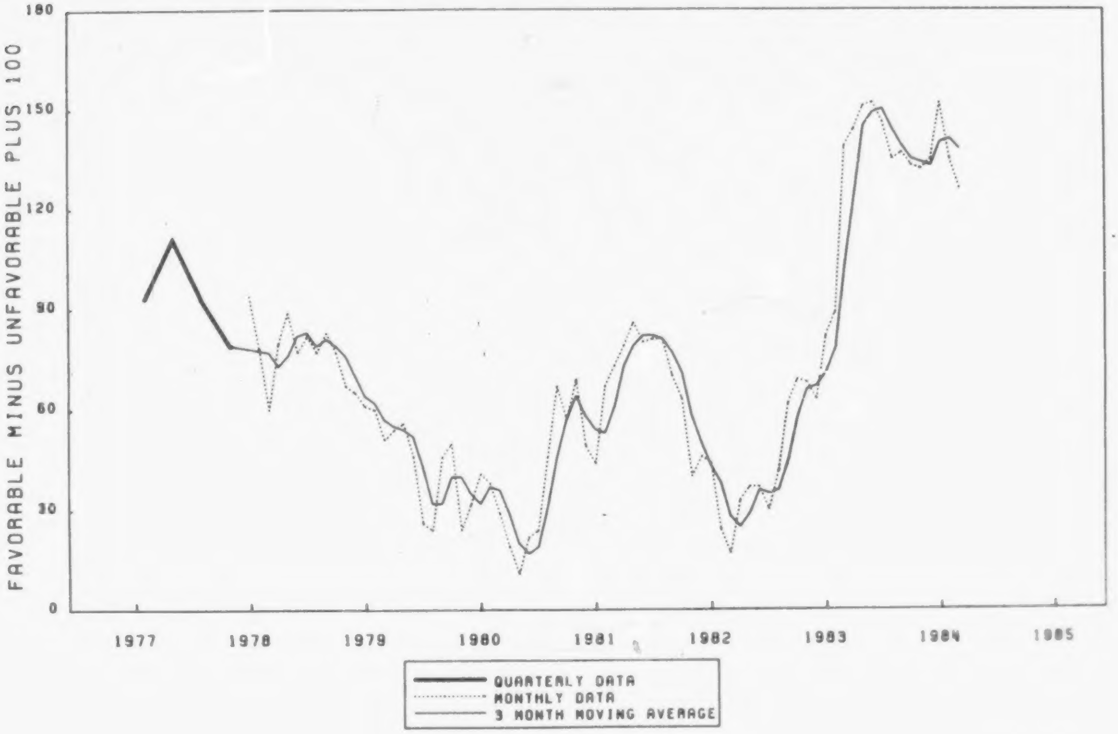
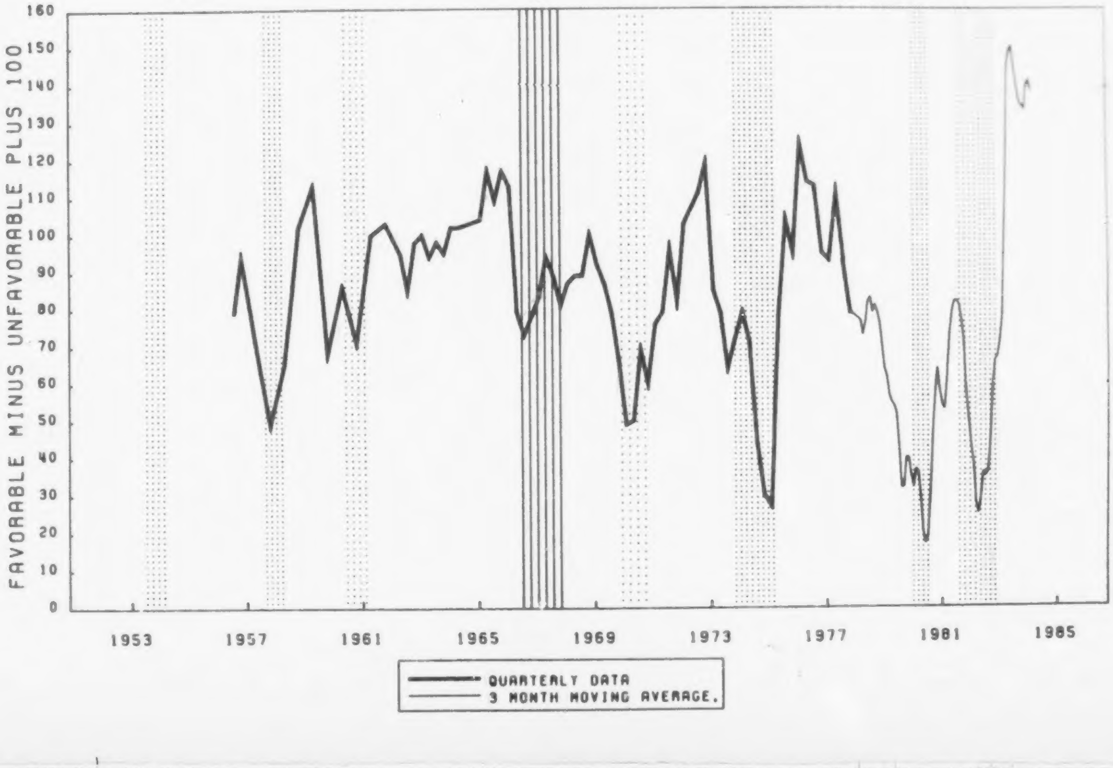


CHART 12 - HISTORICAL SERIES

NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS



## TABLE 12

## NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS +

| | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| FAVORABLE NEWS | 79% | 76% | 80% | 83% | 74% | 69% | 64% | 63% | 62% | 60% | 78% | 66% | 58% |
| UNFAVORABLE NEWS | 40 | 32 | 29 | 31 | 28 | 34 | 27 | 30 | 30 | 25 | 26 | 31 | 32 |
| NO MENTIONS | 28 | 32 | 31 | 27 | 34 | 34 | 43 | 41 | 39 | 42 | 33 | 38 | 43 |

The questions were: "During the last few months, have you heard of any favorable or unfavorable changes in business conditions?" and "What did you hear?"

+ : May add to more than 100% due to multiple mentions.

CHART 13A - HISTORICAL SERIES
TYPE OF NEWS HEARD ABOUT CHANGES IN BUSINESS CONDITIONS

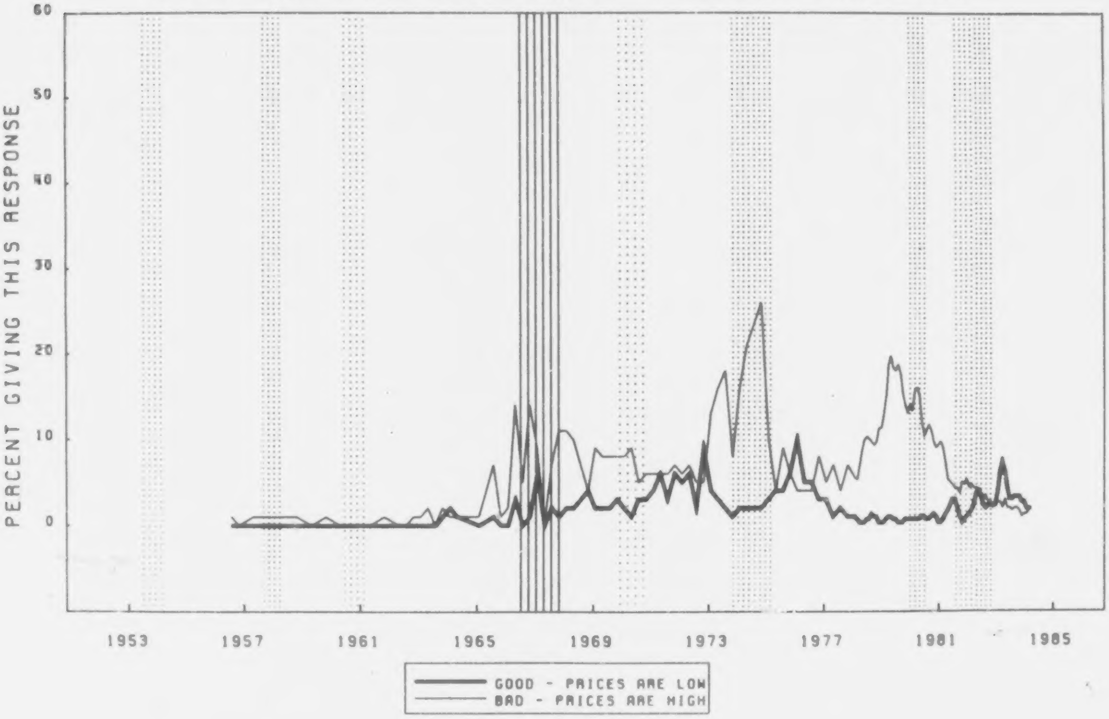
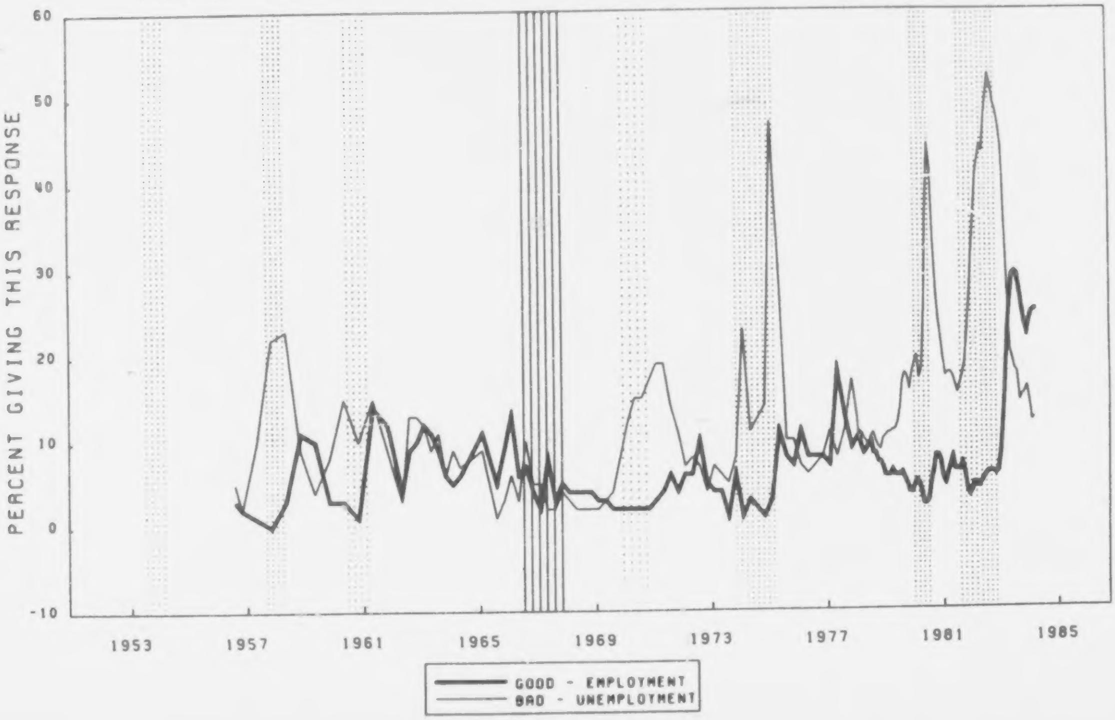


CHART 13B - HISTORICAL SERIES
TYPE OF NEWS HEARD ABOUT CHANGES IN BUSINESS CONDITIONS



## TABLE 13

## SELECTED ITEMS OF
## NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS +

| | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| FAVORABLE NEWS: | | | | | | | | | | | | | |
| Government; elections | 2% | 2% | 1% | 1% | 2% | 2% | 1% | 2% | 2% | 1% | 3% | 2% | 1% |
| Employment | 22 | 29 | 28 | 31 | 29 | 27 | 25 | 23 | 22 | 22 | 27 | 25 | 25 |
| Consumer demand high | 8 | 8 | 11 | 12 | 11 | 13 | 11 | 11 | 13 | 12 | 18 | 15 | 10 |
| Prices are low | 9 | 7 | 3 | 3 | 3 | 3 | 4 | 3 | 3 | 2 | 3 | 1 | 2 |
| Credit is easy | 17 | 15 | 16 | 17 | 11 | 8 | 8 | 7 | 5 | 4 | 5 | 4 | 5 |
| UNFAVORABLE NEWS: | | | | | | | | | | | | | |
| Government; elections | 2 | 3 | 3 | 2 | 2 | 3 | 1 | 1 | 2 | 3 | 2 | 5 | 4 |
| Unemployment | 24 | 20 | 17 | 21 | 16 | 16 | 11 | 18 | 17 | 13 | 13 | 10 | 14 |
| Consumer demand low | 3 | 3 | 2 | 2 | 2 | 2 | 1 | 1 | 2 | * | 2 | 1 | 1 |
| Prices are high | 2 | 1 | 3 | 2 | 1 | 2 | 3 | 1 | 1 | 1 | 2 | 1 | 2 |
| Credit is tight | * | 1 | 1 | 1 | 3 | 6 | 4 | 2 | 1 | 2 | 1 | 2 | 3 |
| Energy crisis | * | * | * | * | * | * | * | * | * | * | * | * | * |

The questions were: "During the last few months, have you heard of any favorable or unfavorable changes in business conditions?" and "What did you hear?"

+ : May add to more than 100% due to multiple mentions.

* : Less than half of one percent.

CHART 14 - RECENT CHANGES
CURRENT BUSINESS CONDITIONS COMPARED WITH A YEAR AGO

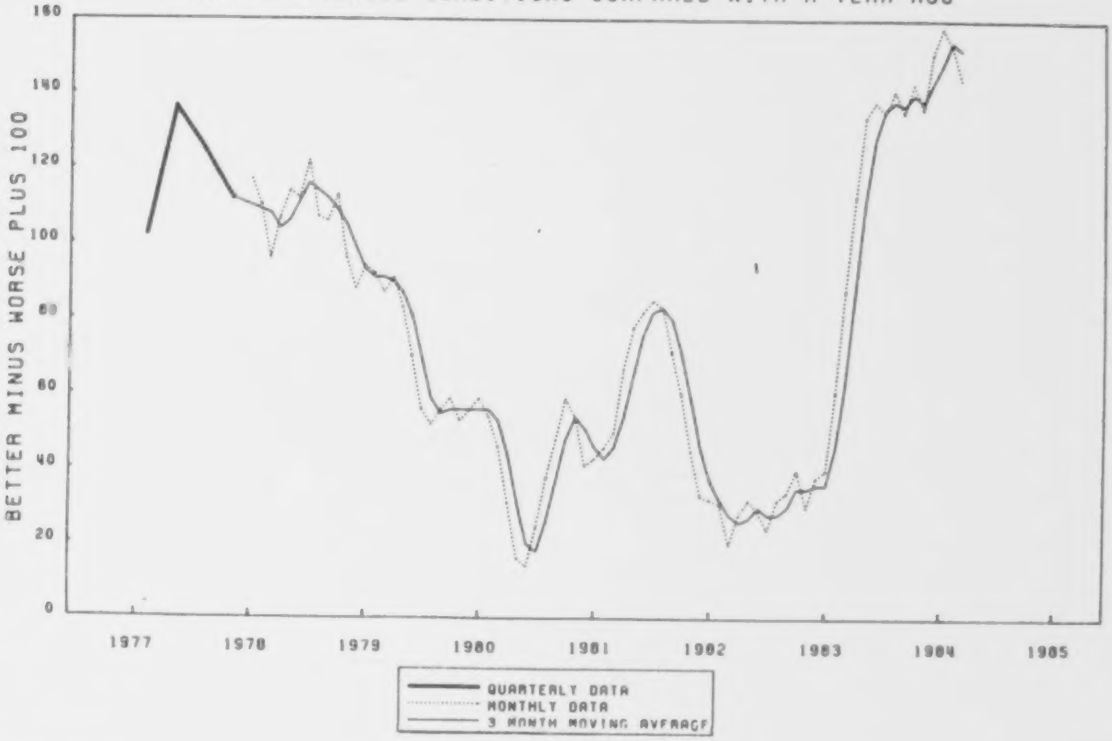
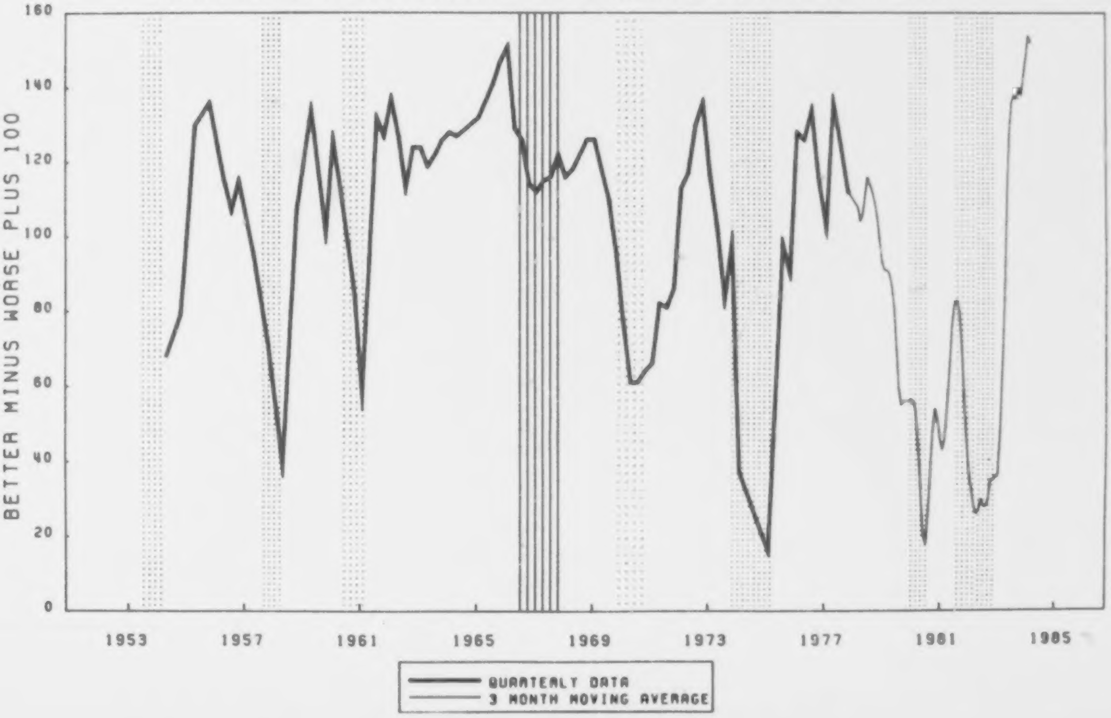


CHART 14 - HISTORICAL SERIES
CURRENT BUSINESS CONDITIONS COMPARED WITH A YEAR AGO



## TABLE 14

## CURRENT BUSINESS CONDITIONS COMPARED TO A YEAR AGO

| | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| BETTER NOW | 39% | 51% | 62% | 64% | 63% | 66% | 62% | 66% | 63% | 71% | 75% | 72% | 67% |
| SAME | 10 | 10 | 10 | 9 | 8 | 8 | 10 | 9 | 8 | 8 | 6 | 8 | 9 |
| WORSE NOW | 51 | 38 | 28 | 26 | 28 | 25 | 27 | 23 | 27 | 20 | 17 | 19 | 23 |
| DK,NA | * | 1 | * | 1 | 1 | 1 | 1 | 2 | 2 | 1 | 2 | 1 | 1 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 |

The question was: "Would you say that at the present time business conditions are better or worse than they were a year ago?"

* : Less than half of one percent.

CHART 15 - RECENT CHANGES
EXPECTED CHANGE IN BUSINESS CONDITIONS IN A YEAR

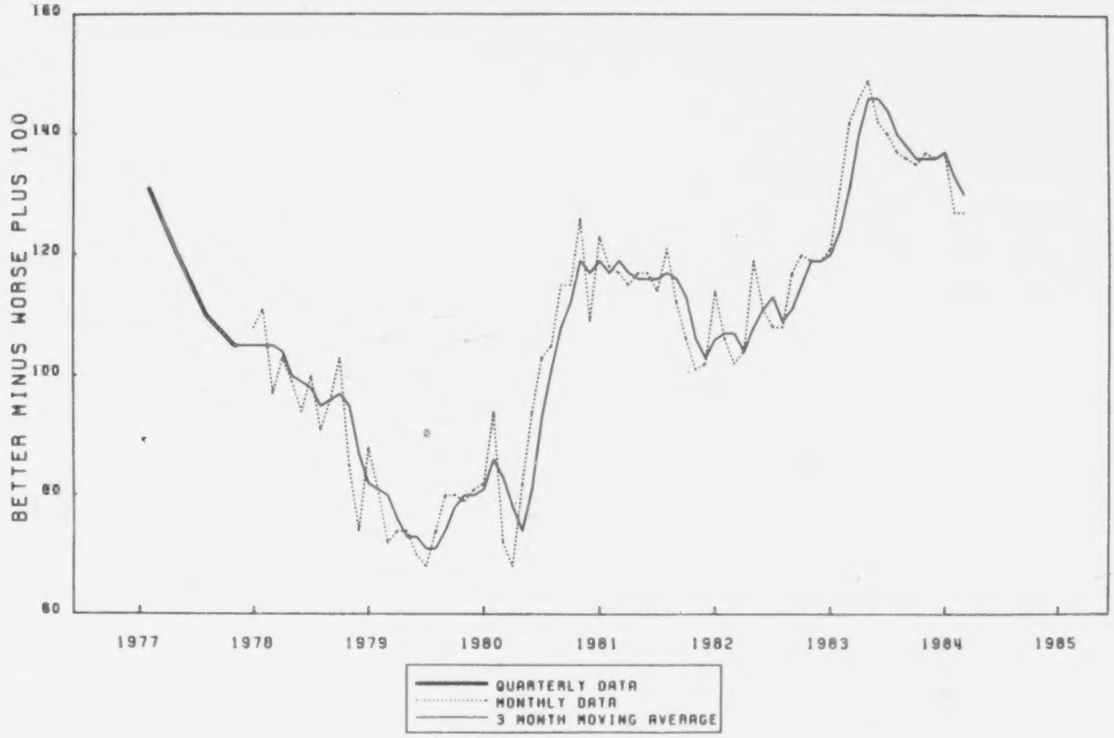
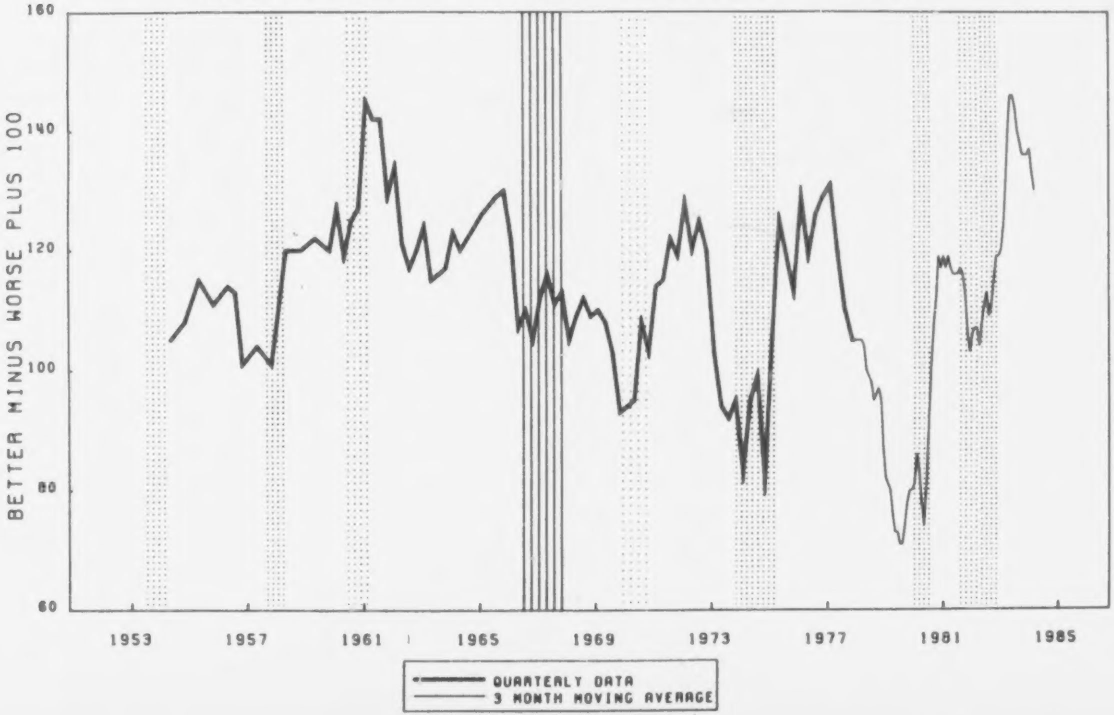


CHART 15 - HISTORICAL SERIES
EXPECTED CHANGE IN BUSINESS CONDITIONS IN A YEAR



# TABLE 15

## EXPECTED CHANGE IN BUSINESS CONDITIONS IN A YEAR

| | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| BETTER | 51% | 53% | 55% | 49% | 48% | 47% | 46% | 46% | 46% | 44% | 46% | 38% | 38% |
| SAME | 39 | 38 | 38 | 42 | 42 | 42 | 42 | 41 | 43 | 45 | 43 | 48 | 49 |
| WORSE | 9 | 7 | 6 | 7 | 8 | 10 | 10 | 11 | 9 | 8 | 9 | 11 | 11 |
| DK,NA | 1 | 2 | 1 | 2 | 2 | 1 | 2 | 2 | 2 | 3 | 2 | 3 | 2 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 |

The question was: "And how about a year from now, do you expect that in the country as a whole business conditions will be better, or worse than they are at present, or just about the same?"

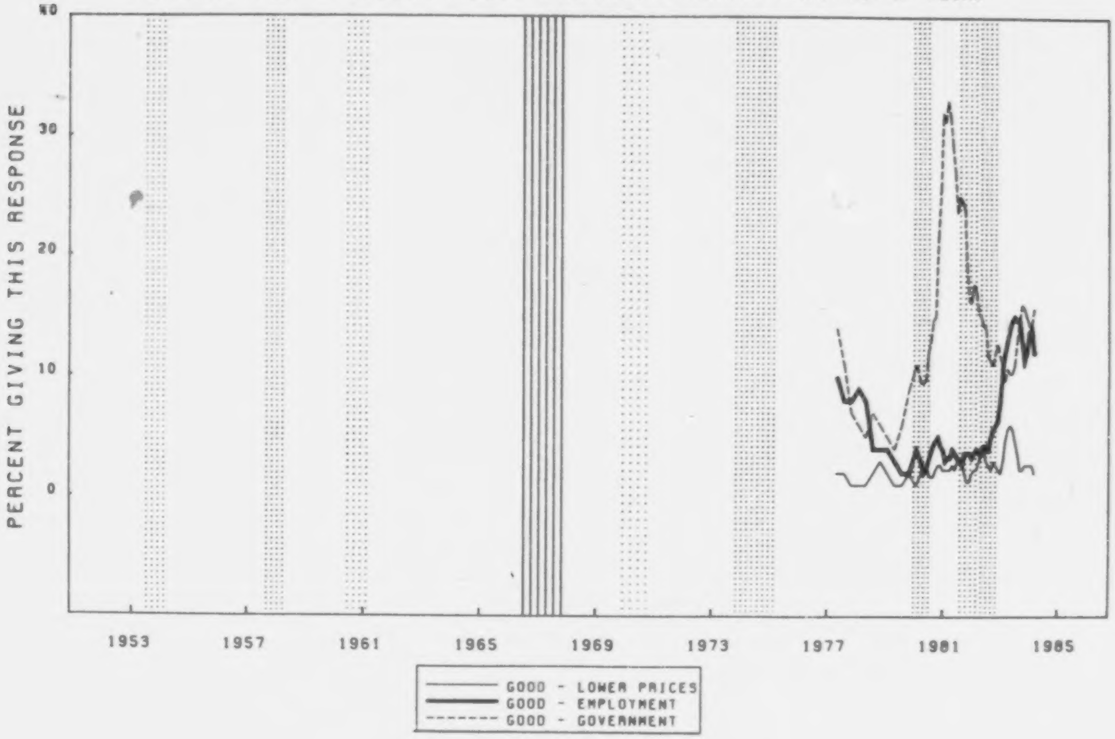


CHART 16A - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUSINESS CONDITIONS IN A YEAR

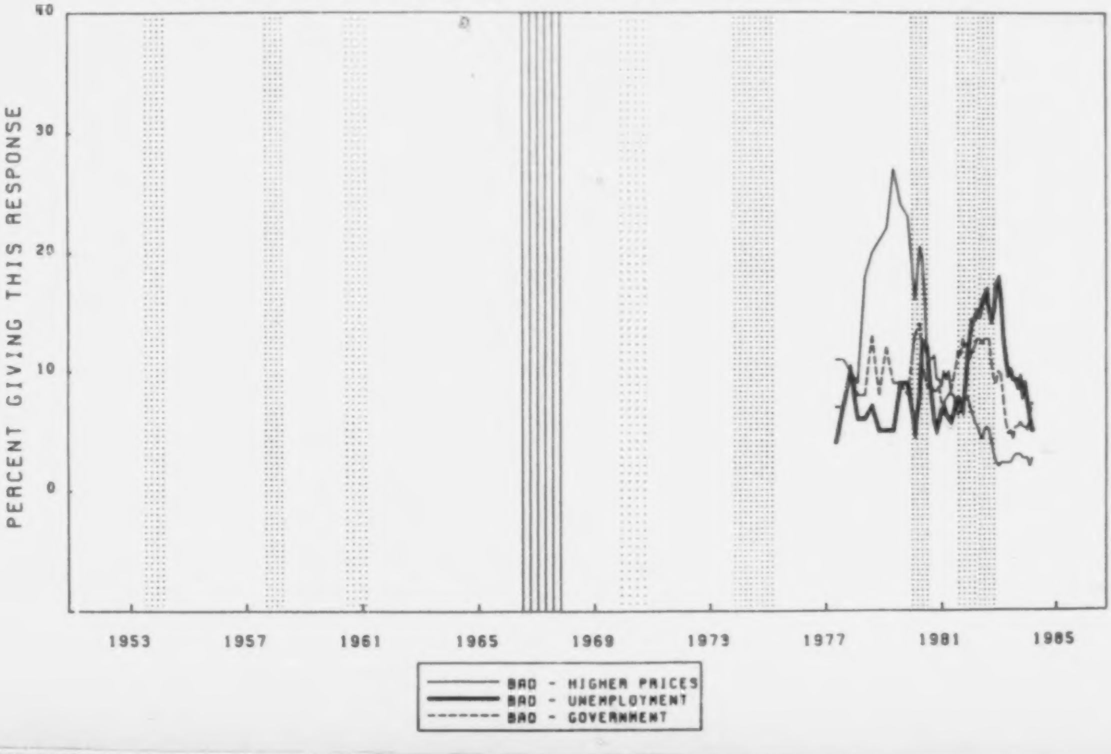


CHART 16B - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUSINESS CONDITIONS IN A YEAR

## TABLE 16

## REASONS FOR OPINIONS ABOUT CHANGES IN BUSINESS CONDITIONS IN A YEAR +

| | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| FAVORABLE REASONS: | | | | | | | | | | | | | |
| Government; elections | 10% | 11% | 10% | 10% | 13% | 16% | 15% | 17% | 15% | 13% | 15% | 15% | 17% |
| Employment | 12 | 14 | 16 | 14 | 15 | 15 | 14 | 10 | 10 | 16 | 15 | 11 | 10 |
| Higher consumer demand | 6 | 9 | 10 | 9 | 7 | 6 | 7 | 8 | 8 | 8 | 8 | 5 | 4 |
| Lower prices | 7 | 6 | 5 | 6 | 3 | 2 | 2 | 3 | 2 | 3 | 3 | 1 | 2 |
| Easier credit | 13 | 14 | 12 | 12 | 7 | 6 | 5 | 6 | 4 | 4 | 3 | 4 | 2 |
| UNFAVORABLE REASONS: | | | | | | | | | | | | | |
| Government; elections | 5 | 5 | 4 | 6 | 4 | 6 | 6 | 5 | 5 | 6 | 4 | 9 | 9 |
| Unemployment | 10 | 10 | 9 | 11 | 8 | 9 | 9 | 10 | 8 | 8 | 6 | 4 | 5 |
| Lower consumer demand | 2 | 4 | 2 | 2 | 4 | 3 | 1 | 3 | 2 | 2 | 2 | 1 | 1 |
| Higher prices | 2 | 2 | 3 | 2 | 3 | 4 | 2 | 3 | 3 | 2 | 3 | 1 | 3 |
| Tighter credit | 1 | 2 | 2 | 3 | 4 | 3 | 2 | 2 | 2 | 1 | 2 | 4 | 2 |
| Energy crisis | * | * | * | * | * | * | * | * | * | * | * | * | * |

The question was: "Why do you expect business conditions to be better/the same/worse a year from now?" following the question on table 15.

+ : May add to more than 100% due to multiple mentions.

* : Less than half of one percent.

CHART 17 - RECENT CHANGES
TREND IN PAST AND EXPECTED BUSINESS CONDITIONS

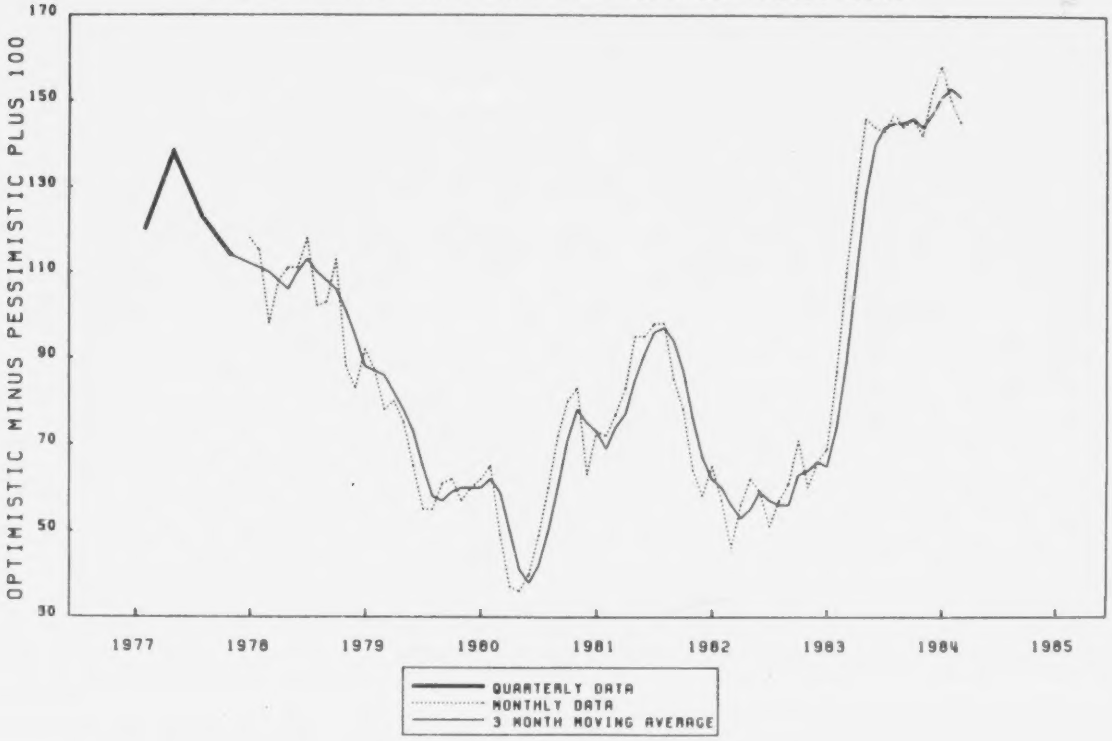


CHART 17 - HISTORICAL SERIES
TREND IN PAST AND EXPECTED BUSINESS CONDITIONS

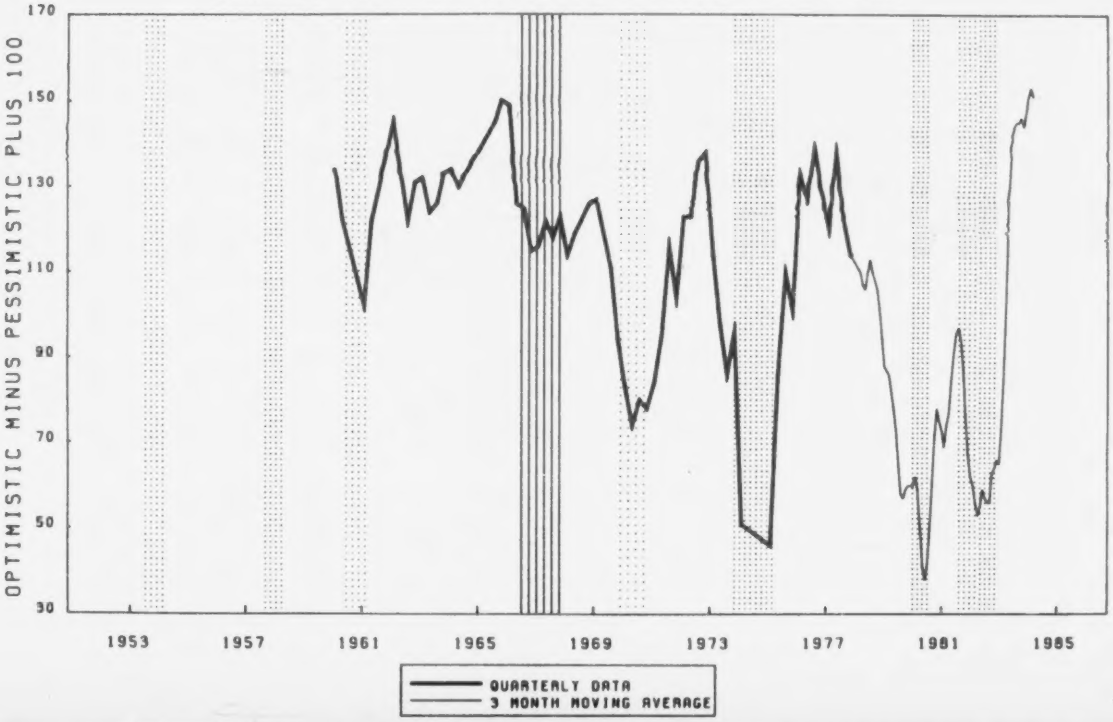


TABLE 17

## TREND IN PAST AND EXPECTED CHANGES IN BUSINESS CONDITIONS

| | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| TREND: | | | | | | | | | | | | | |
| Continuous increase (a) | 28% | 36% | 42% | 39% | 39% | 38% | 34% | 39% | 36% | 38% | 41% | 32% | 31% |
| Intermittent increase (b) | 15 | 18 | 23 | 26 | 24 | 27 | 28 | 26 | 27 | 30 | 31 | 34 | 32 |
| Remain unchanged (c) | 4 | 5 | 5 | 5 | 5 | 6 | 7 | 5 | 4 | 6 | 4 | 5 | 6 |
| Intermittent decline (d) | 25 | 19 | 14 | 16 | 15 | 12 | 12 | 13 | 17 | 12 | 10 | 12 | 14 |
| Continuous decline (e) | 8 | 6 | 5 | 5 | 5 | 6 | 6 | 6 | 4 | 4 | 4 | 4 | 4 |
| Mixed change (f) | 18 | 14 | 10 | 7 | 9 | 9 | 10 | 7 | 9 | 7 | 7 | 10 | 10 |
| DK,NA | 2 | 2 | 1 | 2 | 3 | 2 | 3 | 4 | 3 | 3 | 3 | 3 | 3 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 |

Combination of the responses to the questions on Tables 14 and 15.

Key: (a) Better than a year ago/Better a year from now
(b) Better/Same or Same/Better
(c) Same/Same
(d) Worse/Same or Same/Worse
(e) Worse/Worse
(f) Worse/Better or Better/Worse

CHART 18 - RECENT CHANGES
BUSINESS CONDITIONS EXPECTED DURING THE NEXT TWELVE MONTHS

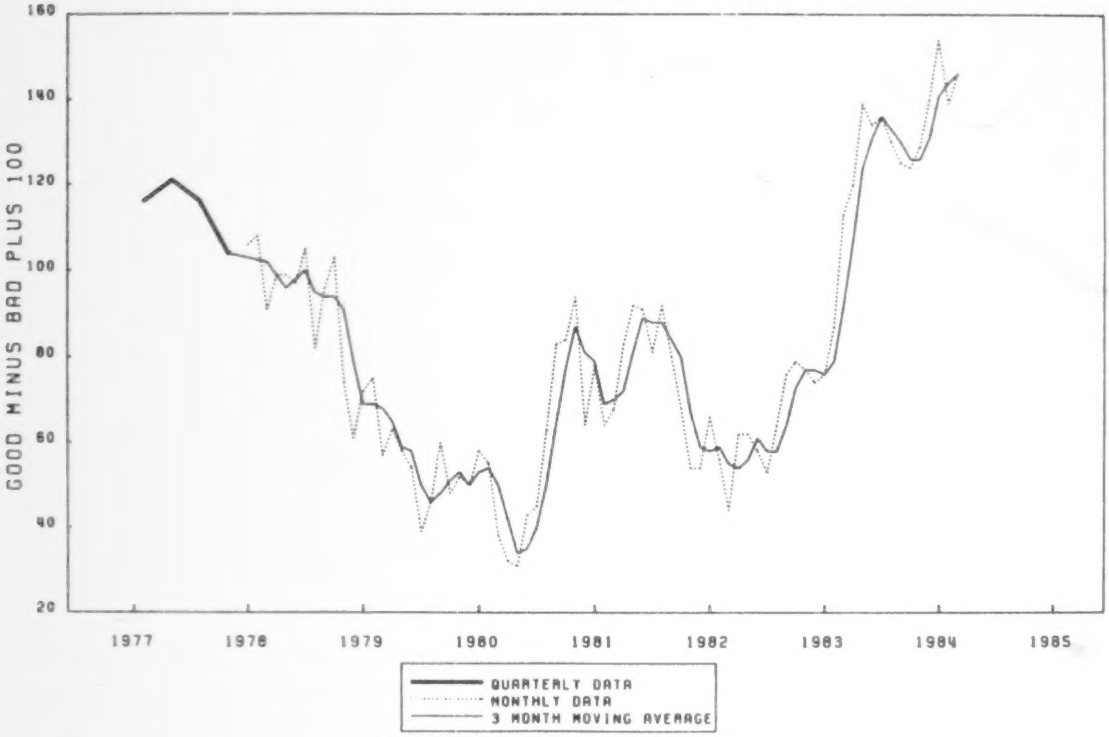
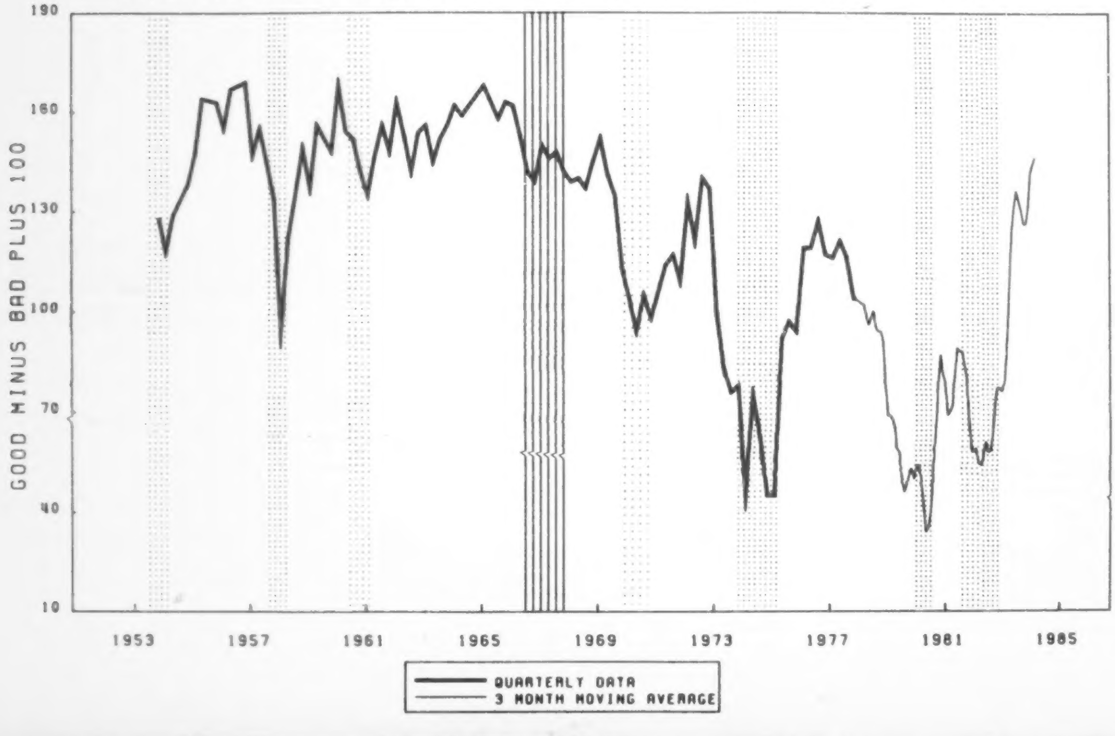


CHART 18 - HISTORICAL SERIES
BUSINESS CONDITIONS EXPECTED DURING THE NEXT TWELVE MONTHS



## TABLE 18

## BUSINESS CONDITIONS EXPECTED DURING THE NEXT 12 MONTHS

| | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| GOOD TIMES | 52% | 56% | 65% | 63% | 63% | 60% | 58% | 58% | 59% | 67% | 73% | 65% | 69% |
| UNCERTAIN; GOOD & BAD | 2 | 1 | 2 | 3 | 3 | 3 | 2 | 3 | 3 | 2 | 2 | 2 | 2 |
| BAD TIMES | 39 | 36 | 26 | 29 | 27 | 30 | 33 | 34 | 30 | 27 | 19 | 26 | 23 |
| DON'T KNOW | 4 | 3 | 4 | 3 | 6 | 5 | 5 | 4 | 6 | 3 | 5 | 5 | 4 |
| NOT ASCERTAINED | 3 | 4 | 3 | 2 | 1 | 2 | 2 | 1 | 2 | 1 | 1 | 2 | 2 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 |

The question was: "Now turning to business conditions in the country as a whole--do you think that during the next 12 months we'll have good times financially, or bad times or what?"

CHART 19 - RECENT CHANGES
BUSINESS CONDITIONS EXPECTED FOR THE NEXT FIVE YEARS

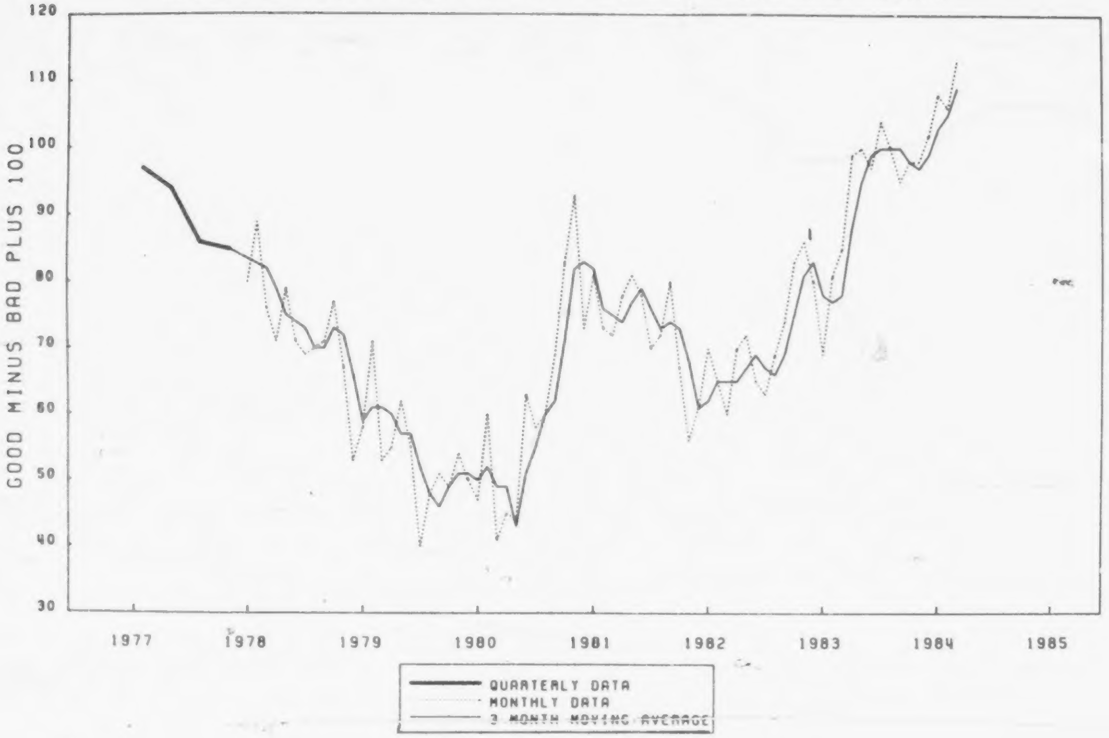
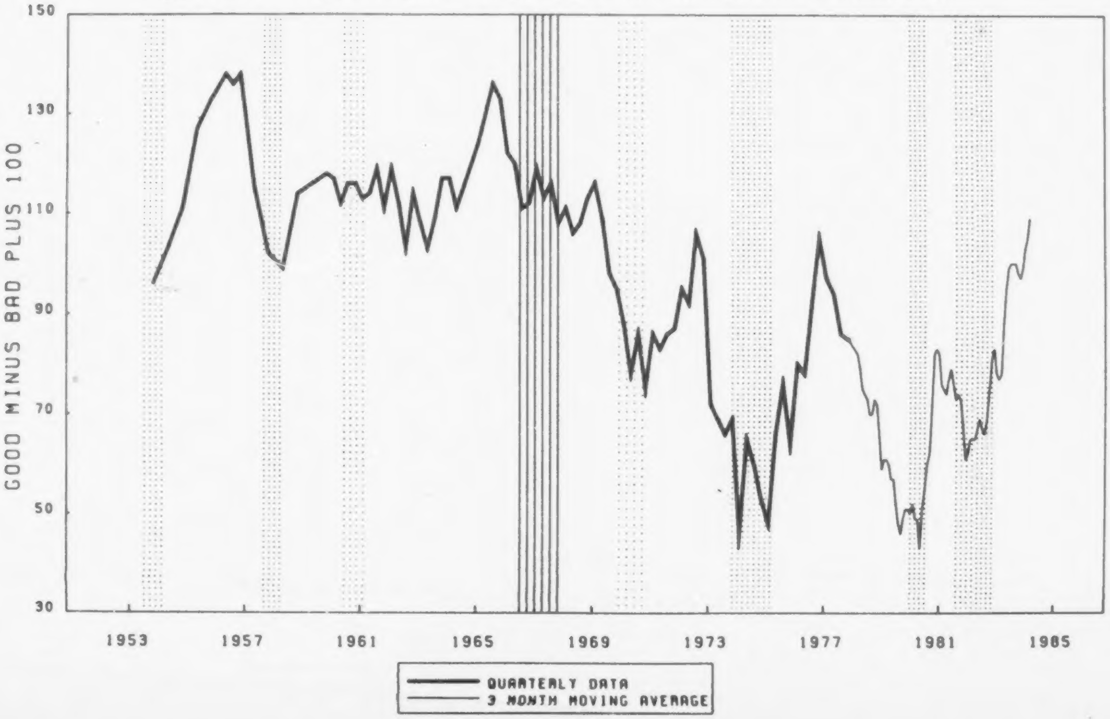


CHART 19 - HISTORICAL SERIES
BUSINESS CONDITIONS EXPECTED FOR THE NEXT FIVE YEARS



## TABLE 19

## BUSINESS CONDITIONS EXPECTED DURING THE NEXT FIVE YEARS

| | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| GOOD TIMES | 33% | 38% | 39% | 39% | 39% | 37% | 37% | 39% | 39% | 39% | 44% | 42% | 47% |
| UNCERTAIN; GOOD & BAD | 15 | 18 | 18 | 15 | 20 | 22 | 19 | 17 | 15 | 21 | 17 | 16 | 15 |
| BAD TIMES | 48 | 39 | 39 | 42 | 35 | 37 | 42 | 41 | 41 | 37 | 36 | 36 | 34 |
| NOT ASCERTAINED | 4 | 5 | 4 | 4 | 6 | 4 | 2 | 3 | 5 | 3 | 3 | 6 | 4 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 |

The question was: "Looking ahead, which would you say is more likely--that in the country as a whole we'll have continuous good times during the next 5 years or so, or that we will have periods of widespread unemployment or depression, or what?"

CHART 20 - RECENT CHANGES
EXPECTED CHANGE IN UNEMPLOYMENT

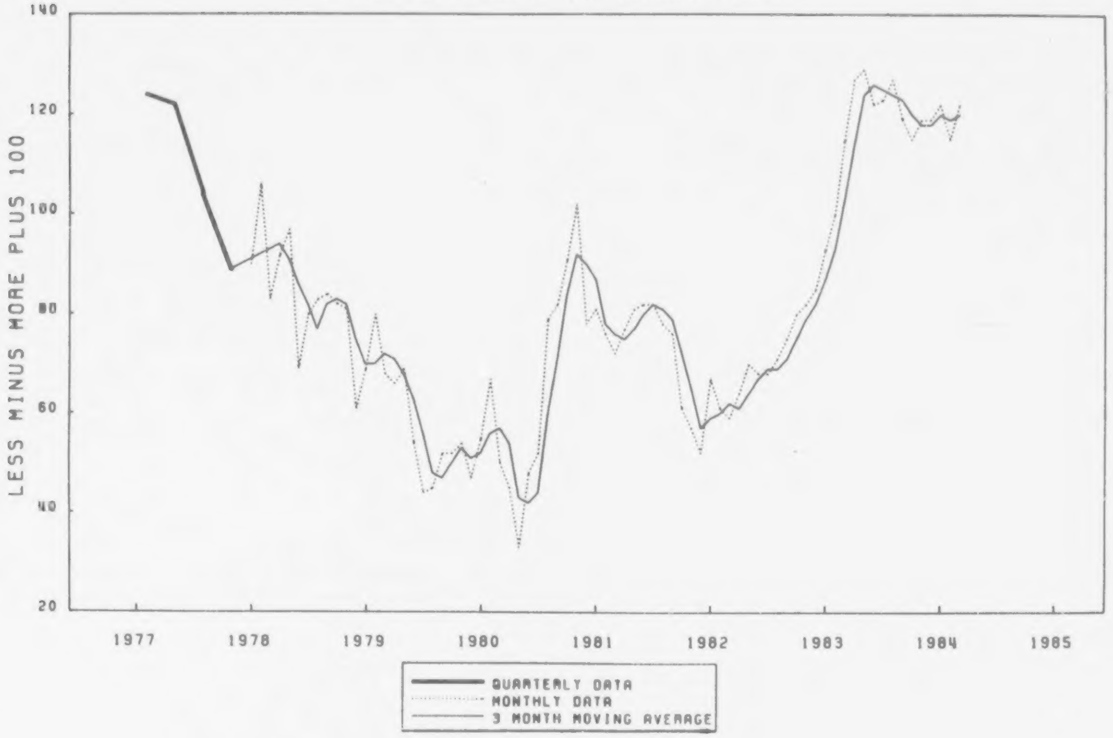
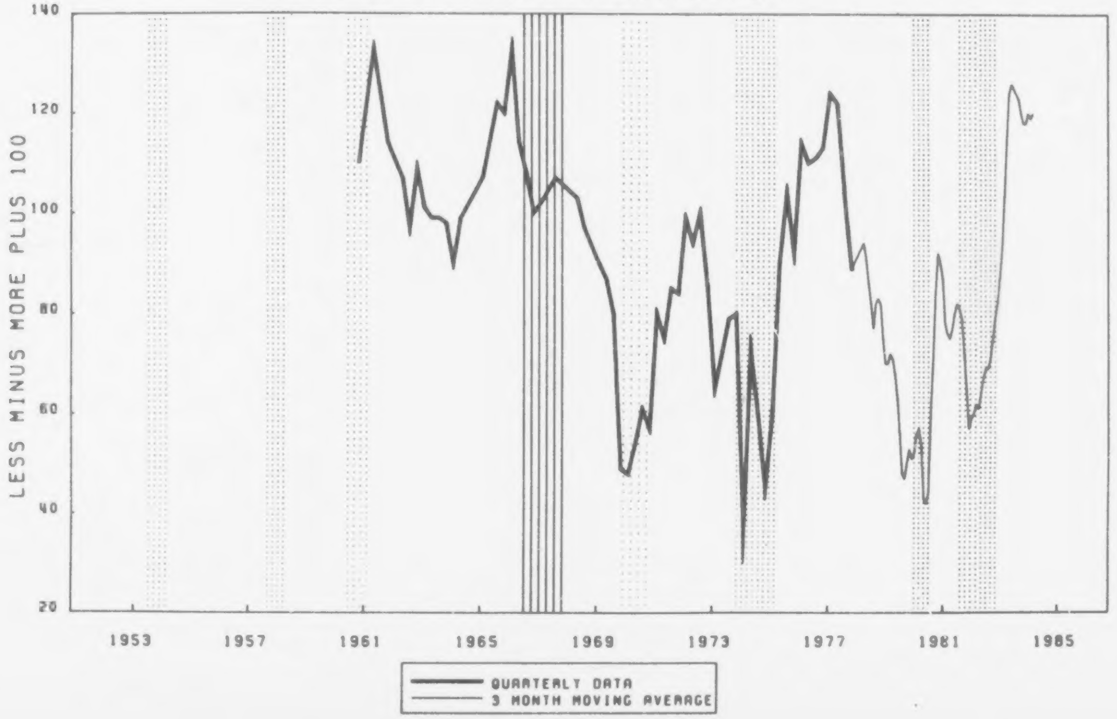


CHART 20 - HISTORICAL SERIES
EXPECTED CHANGE IN UNEMPLOYMENT



# TABLE 20

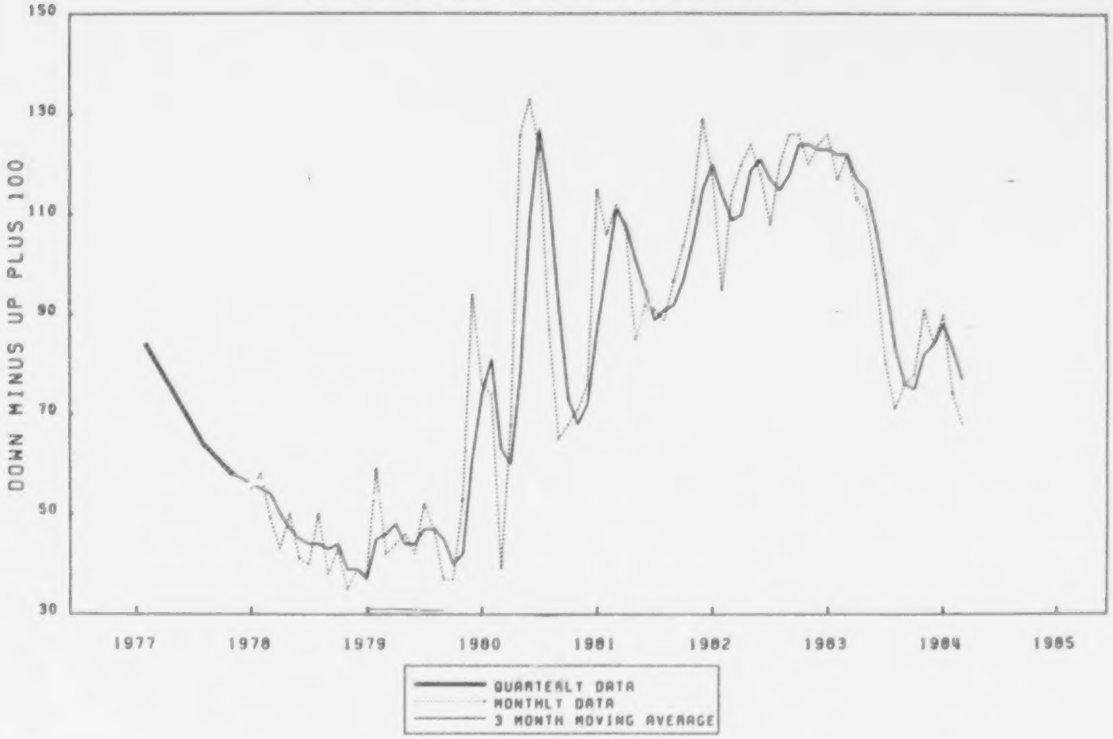
## EXPECTED CHANGE IN UNEMPLOYMENT

| | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| LESS | 36% | 42% | 42% | 37% | 39% | 42% | 36% | 35% | 35% | 36% | 36% | 31% | 38% |
| SAME | 43 | 41 | 44 | 47 | 44 | 40 | 46 | 44 | 47 | 45 | 48 | 50 | 45 |
| MORE | 21 | 15 | 13 | 15 | 16 | 15 | 17 | 20 | 16 | 17 | 14 | 16 | 16 |
| DK,NA | * | 2 | 1 | 1 | 1 | 3 | 1 | 1 | 2 | 2 | 2 | 3 | 1 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 |

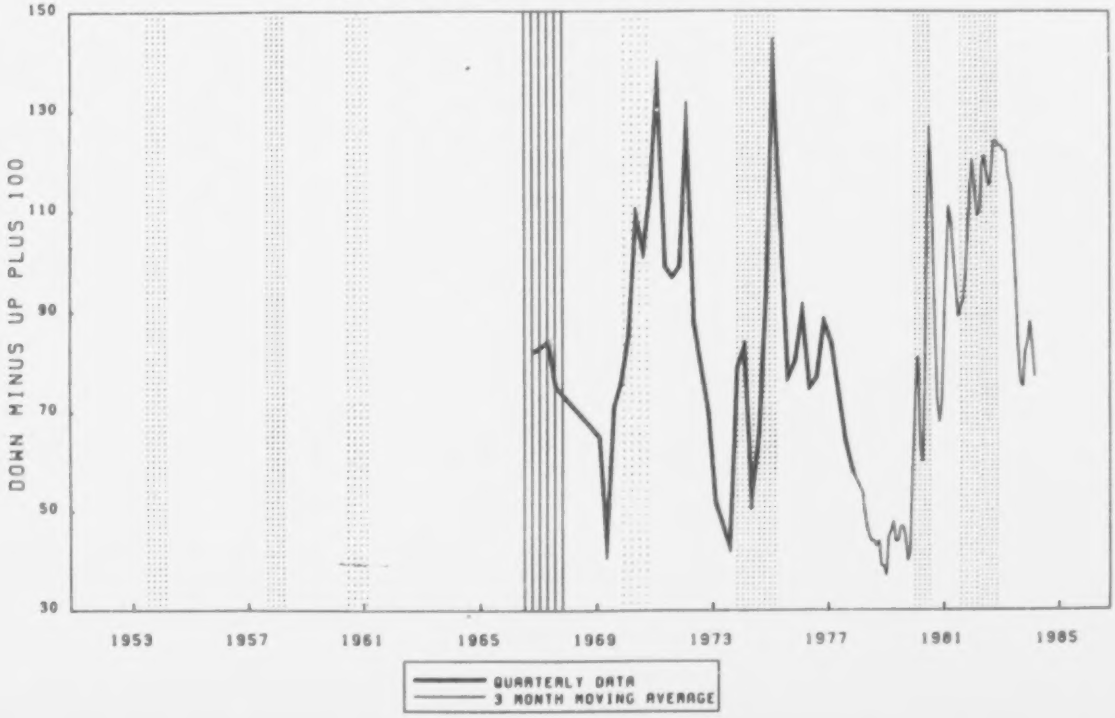
The question was: "How about people out of work during the coming 12 months--do you think that there will be more unemployment than now, about the same, or less?"

* : Less than half of one percent.

## CHART 21 - RECENT CHANGES
## EXPECTED CHANGE IN INTEREST RATES



## CHART 21 - HISTORICAL SERIES
## EXPECTED CHANGE IN INTEREST RATES



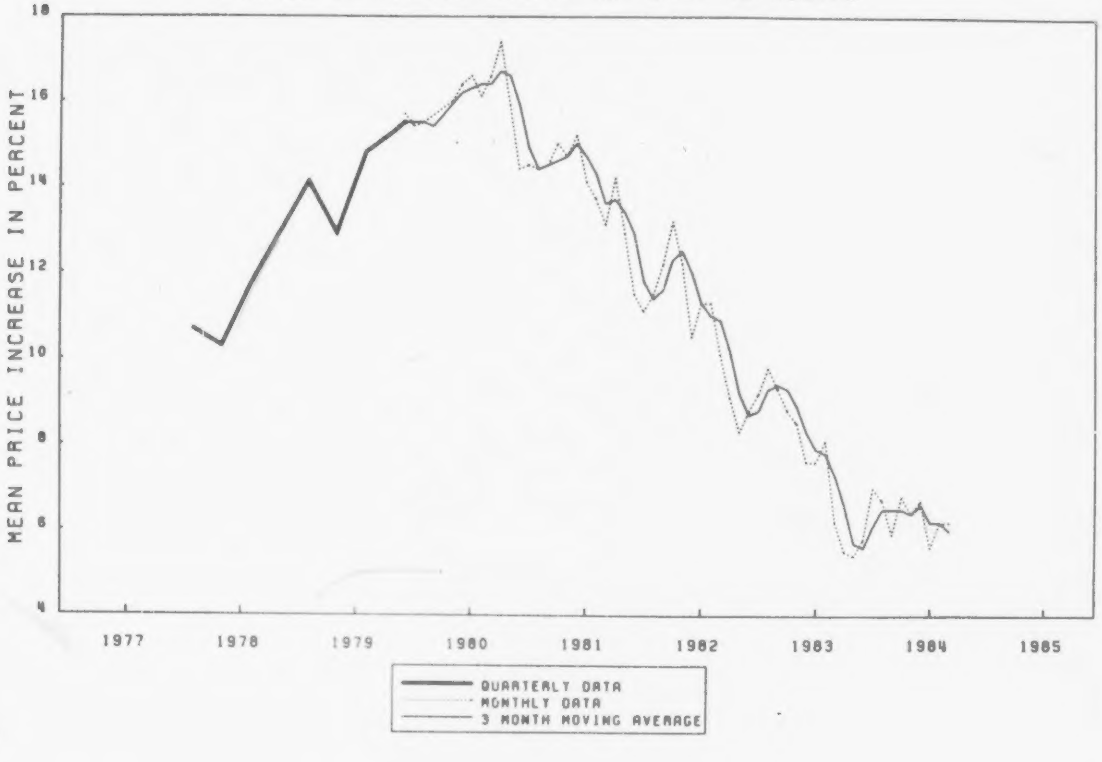
## TABLE 21

## EXPECTED CHANGE IN INTEREST RATES

| | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| GO UP | 19% | 21% | 20% | 29% | 40% | 47% | 44% | 43% | 33% | 37% | 32% | 42% | 45% |
| STAY THE SAME | 38 | 42 | 47 | 42 | 37 | 32 | 33 | 33 | 40 | 37 | 43 | 38 | 37 |
| GO DOWN | 41 | 34 | 31 | 27 | 20 | 18 | 20 | 21 | 24 | 21 | 22 | 16 | 13 |
| DK,NA | 2 | 3 | 2 | 2 | 3 | 3 | 3 | 3 | 3 | 5 | 3 | 4 | 5 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 |

The question was: "No one can say for sure, but what do you think will happen to interest rates for borrowing money during the next 12 months--will they go up, stay the same, or go down?"

CHART 22 - RECENT CHANGES
CHANGE IN PRICES DURING THE LAST 12 MONTHS



## TABLE 22

## CHANGE IN PRICES DURING THE LAST 12 MONTHS

| | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| SAME OR DOWN | 31% | 30% | 31% | 29% | 23% | 25% | 25% | 21% | 24% | 24% | 23% | 23% | 23% |
| GONE UP BY: | | | | | | | | | | | | | |
| 1-2% | 6 | 8 | 9 | 8 | 8 | 8 | 11 | 8 | 9 | 8 | 12 | 9 | 8 |
| 3-4% | 10 | 10 | 13 | 13 | 14 | 14 | 13 | 14 | 13 | 15 | 16 | 14 | 16 |
| 5% | 12 | 17 | 13 | 14 | 13 | 16 | 15 | 16 | 15 | 15 | 17 | 17 | 15 |
| 6-9% | 9 | 9 | 8 | 11 | 11 | 8 | 7 | 11 | 8 | 8 | 8 | 9 | 10 |
| 10-14% | 15 | 11 | 14 | 11 | 13 | 13 | 12 | 14 | 14 | 11 | 9 | 14 | 12 |
| 15% or more | 11 | 9 | 8 | 10 | 11 | 11 | 9 | 11 | 9 | 10 | 7 | 9 | 9 |
| DK how much up | 5 | 5 | 4 | 3 | 6 | 5 | 7 | 4 | 7 | 8 | 7 | 5 | 7 |
| DK,NA | 1 | 1 | * | 1 | 1 | * | 1 | 1 | 1 | 1 | 1 | * | * |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| MEAN INCREASE | 6.2 | 5.5 | 5.4 | 5.8 | 7.0 | 6.7 | 5.9 | 6.8 | 6.4 | 6.7 | 5.6 | 6.2 | 6.2 |
| VARIANCE | 71 | 64 | 61 | 65 | 88 | 93 | 71 | 81 | 76 | 90 | 69 | 68 | 72 |
| CASES | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 |

The questions were: "During the last 12 months, have prices of the things you buy remained unchanged, or have they gone up, or have they gone down?" and "By about what percent do you think prices have gone up,on the average, during the last 12 months?"

* : Less than half of one percent.

CHART 23 - RECENT CHANGES
MEAN EXPECTED PRICE INCREASE OVER THE NEXT 12 MONTHS

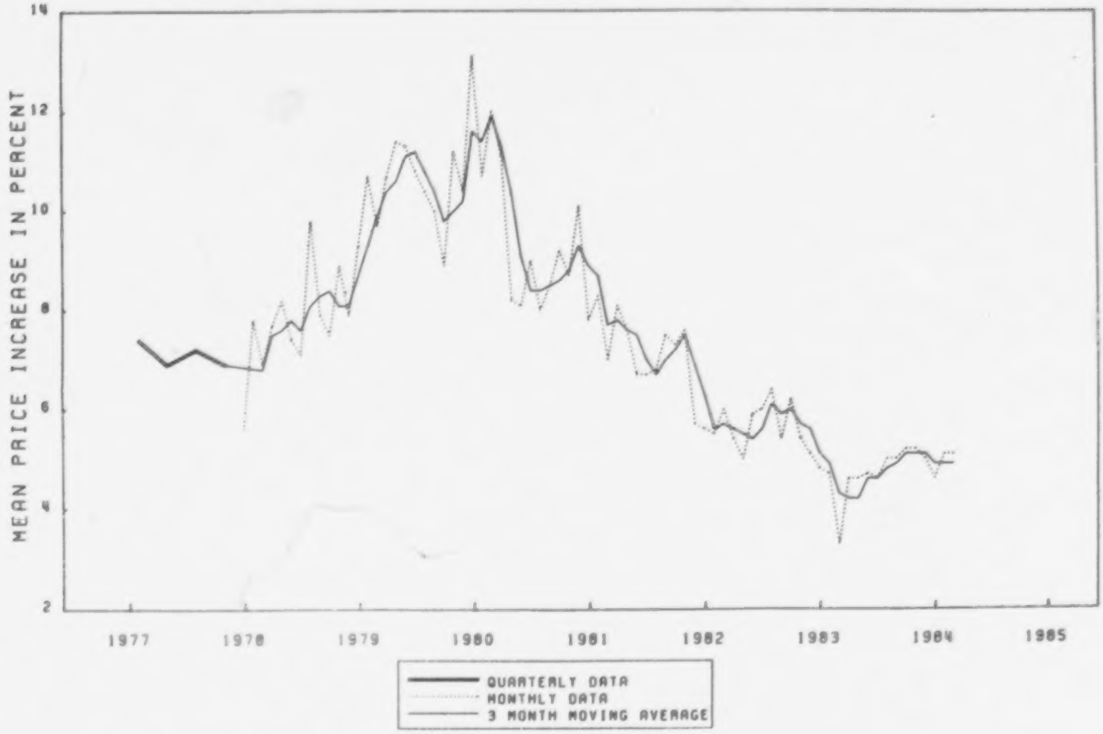
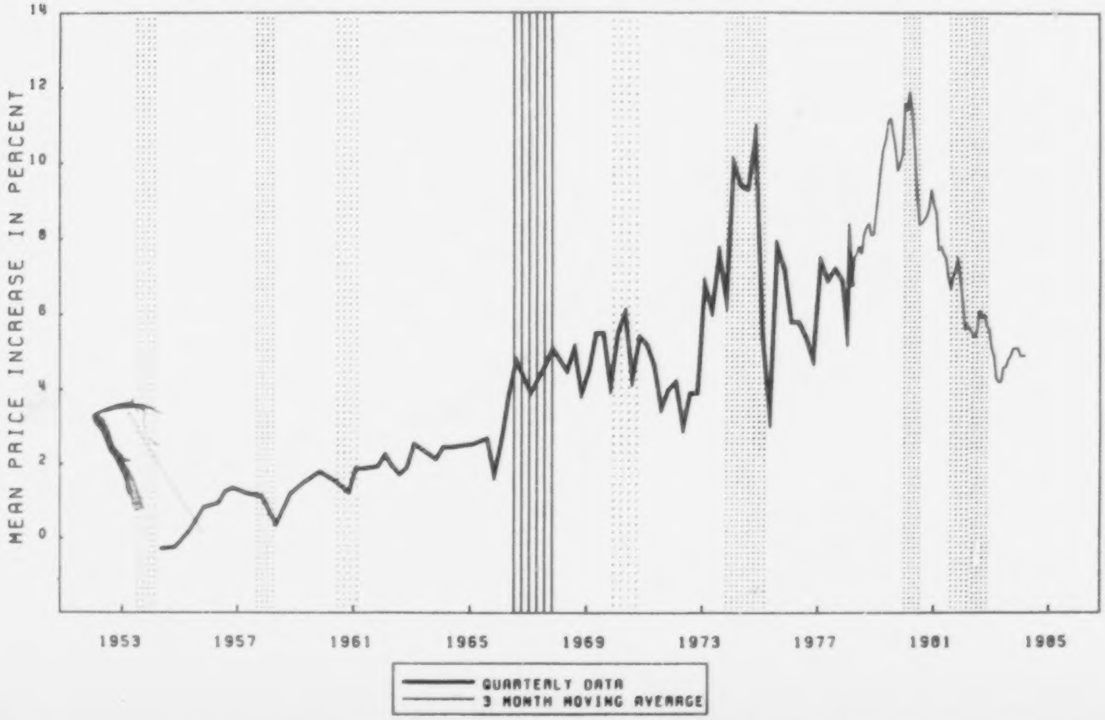


CHART 23 - HISTORICAL SERIES
MEAN EXPECTED PRICE INCREASE OVER THE NEXT 12 MONTHS



## TABLE 23

## EXPECTED CHANGE IN PRICES DURING THE NEXT 12 MONTHS

| | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| SAME OR DOWN | 44% | 30% | 32% | 33% | 29% | 23% | 28% | 24% | 25% | 23% | 25% | 23% | 24% |
| WILL GO UP BY: | | | | | | | | | | | | | |
| 1-2% | 9 | 10 | 9 | 8 | 12 | 14 | 13 | 12 | 12 | 12 | 13 | 14 | 14 |
| 3-4% | 12 | 13 | 13 | 15 | 15 | 16 | 14 | 15 | 14 | 15 | 20 | 19 | 16 |
| 5% | 14 | 17 | 17 | 16 | 15 | 16 | 16 | 15 | 16 | 17 | 13 | 19 | 15 |
| 6-9% | 5 | 10 | 10 | 9 | 9 | 9 | 7 | 10 | 9 | 8 | 9 | 6 | 10 |
| 10-14% | 8 | 9 | 10 | 9 | 9 | 9 | 10 | 11 | 11 | 11 | 10 | 8 | 11 |
| 15% or more | 4 | 5 | 5 | 6 | 6 | 6 | 7 | 8 | 6 | 5 | 4 | 6 | 5 |
| DK how much up | 3 | 4 | 3 | 3 | 3 | 5 | 4 | 4 | 5 | 7 | 4 | 4 | 4 |
| DK,NA | 1 | 2 | 1 | 1 | 2 | 2 | 1 | 1 | 2 | 2 | 2 | 1 | 1 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| MEAN INCREASE | 3.3 | 4.6 | 4.6 | 4.7 | 4.6 | 5.0 | 5.0 | 5.2 | 5.2 | 5.0 | 4.6 | 5.1 | 5.1 |
| VARIANCE | 33 | 45 | 49 | 54 | 44 | 47 | 51 | 36 | 54 | 44 | 40 | 51 | 55 |
| CASES | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 |

The questions were: "During the next 12 months, do you think that prices in general will go up, or go down, or stay where they are now?" and "By about what percent do you expect prices to go up, on the average, during the next 12 months?"

CHART 24 - RECENT CHANGES
UNEMPLOYMENT OR INFLATION MORE SERIOUS

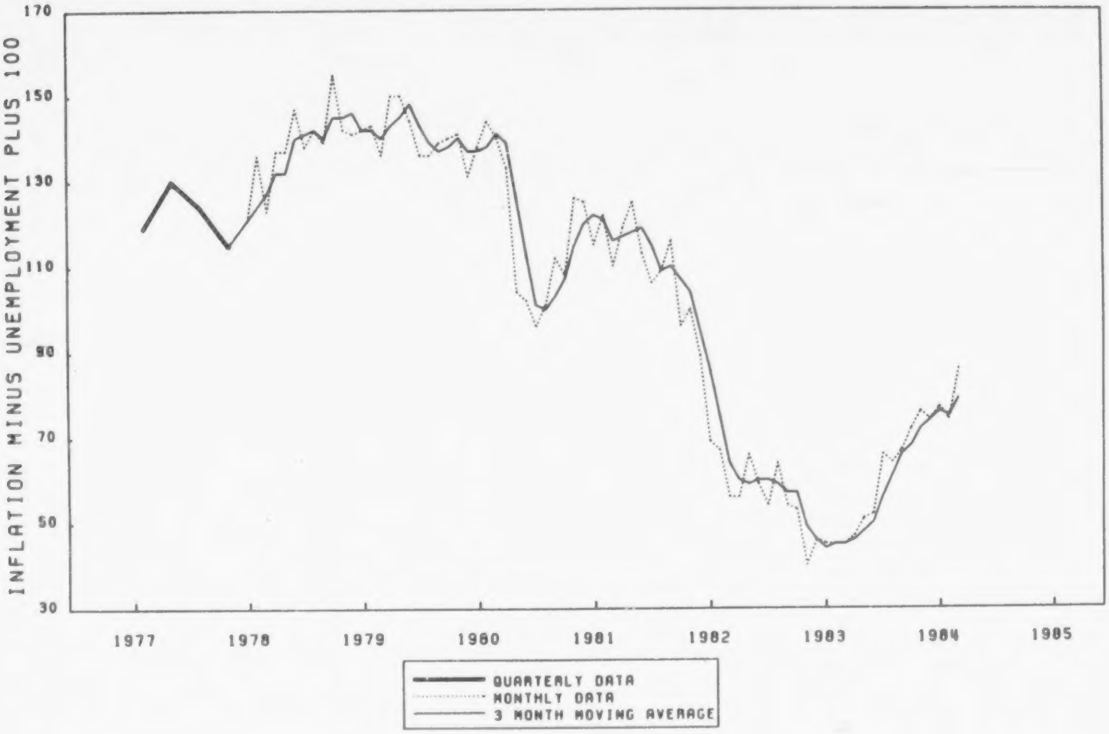
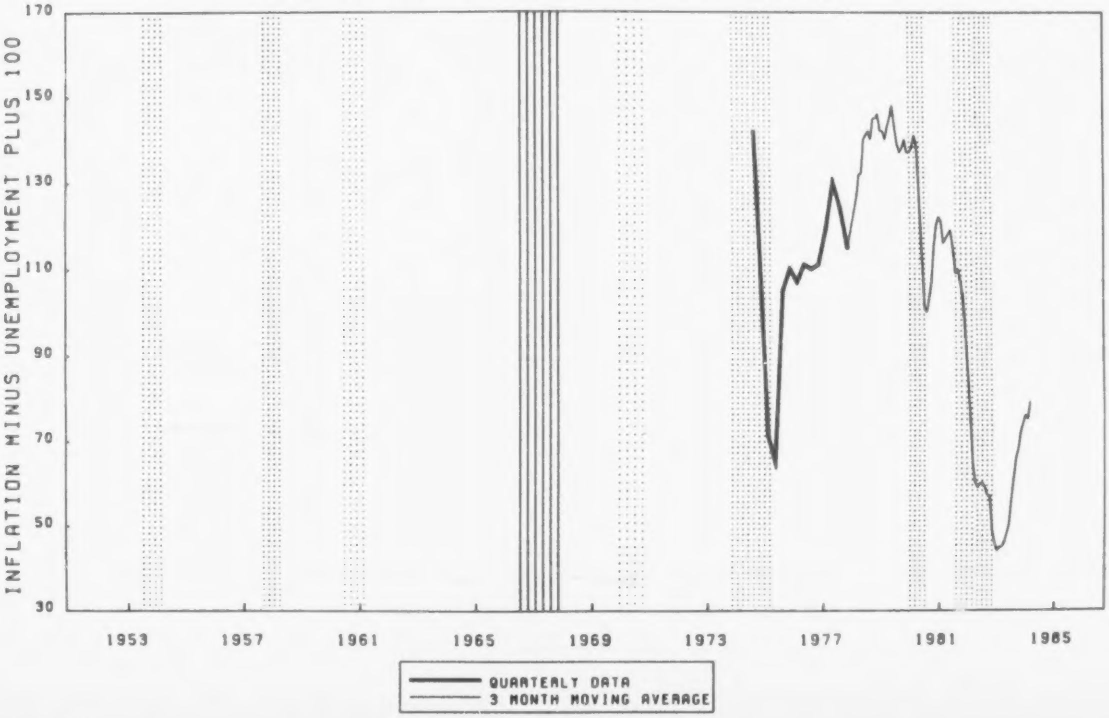


CHART 24 - HISTORICAL SERIES
UNEMPLOYMENT OR INFLATION MORE SERIOUS



## TABLE 24

## UNEMPLOYMENT OR INFLATION MORE SERIOUS ECONOMIC HARDSHIP

| | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| UNEMPLOYMENT | 73% | 73% | 71% | 70% | 63% | 65% | 62% | 61% | 57% | 59% | 58% | 59% | 52% |
| BOTH EQUALLY SERIOUS | 8 | 6 | 6 | 7 | 6 | 5 | 8 | 5 | 7 | 6 | 4 | 5 | 7 |
| INFLATION | 18 | 20 | 22 | 22 | 29 | 29 | 29 | 33 | 33 | 33 | 35 | 33 | 38 |
| DK,NA | 1 | 1 | 1 | 1 | 2 | 1 | 1 | 1 | 3 | 2 | 3 | 3 | 3 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 696 | 707 | 700 | 7[illegible] | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 |

The question was: "Which of the two problems--unemployment or inflation--do you think will cause the more serious economic hardship for people during the next year or so?"

CHART 25 - RECENT CHANGES
OPINIONS ABOUT THE GOVERNMENT'S ECONOMIC POLICY

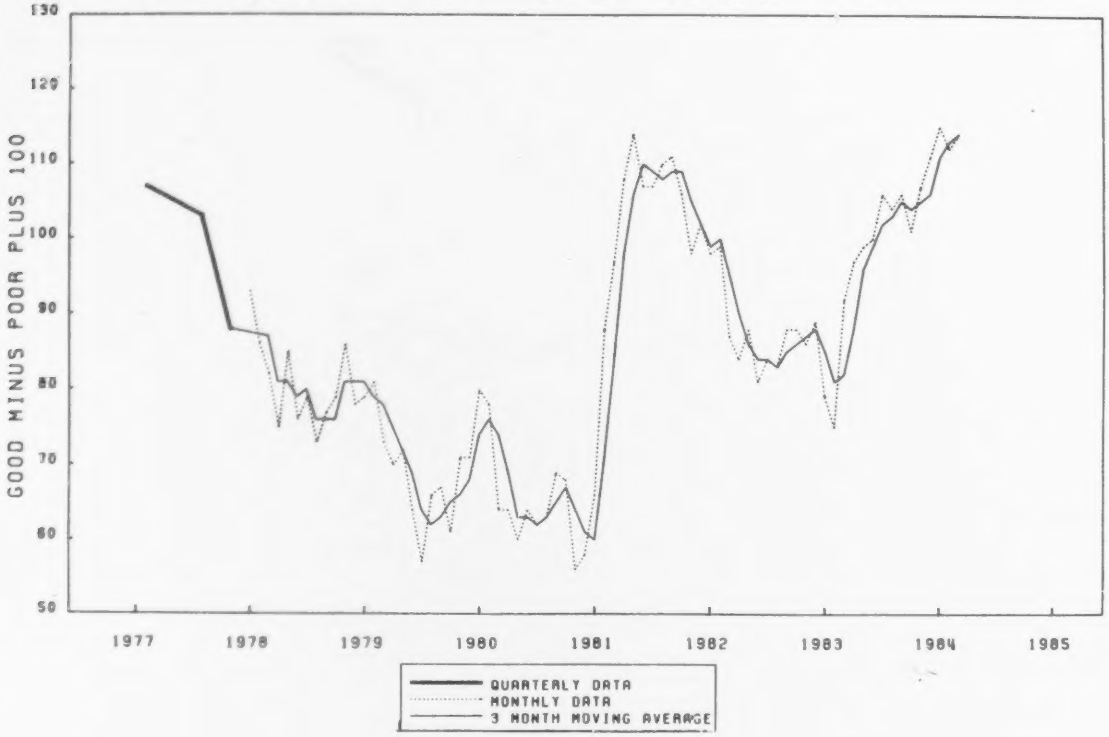
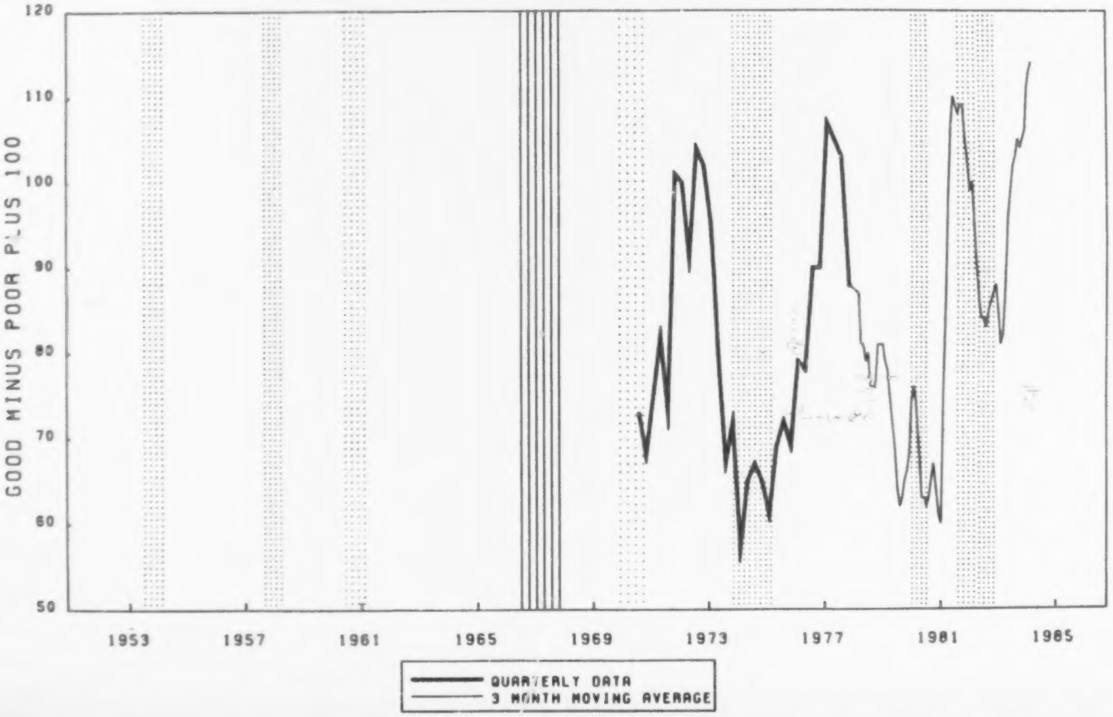


CHART 25 - HISTORICAL SERIES
OPINIONS ABOUT THE GOVERNMENT'S ECONOMIC POLICY



## TABLE 25

## OPINIONS ABOUT THE GOVERNMENT'S ECONOMIC POLICY

| | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| A GOOD JOB | 21% | 21% | 20% | 23% | 27% | 27% | 27% | 25% | 27% | 29% | 31% | 32% | 33% |
| ONLY FAIR | 48 | 53 | 57 | 52 | 51 | 48 | 50 | 50 | 49 | 51 | 52 | 45 | 47 |
| A POOR JOB | 29 | 24 | 21 | 23 | 21 | 23 | 21 | 24 | 20 | 18 | 16 | 20 | 19 |
| DK,NA | 2 | 2 | 2 | 2 | 1 | 2 | 2 | 1 | 4 | 2 | 1 | 3 | 1 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 |

The question was: "As to the economic policy of the government--I mean steps taken to fight inflation or unemployment--would you say the government is doing a good job, only fair, or a poor job?"

CHART 26 - RECENT CHANGES
BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS

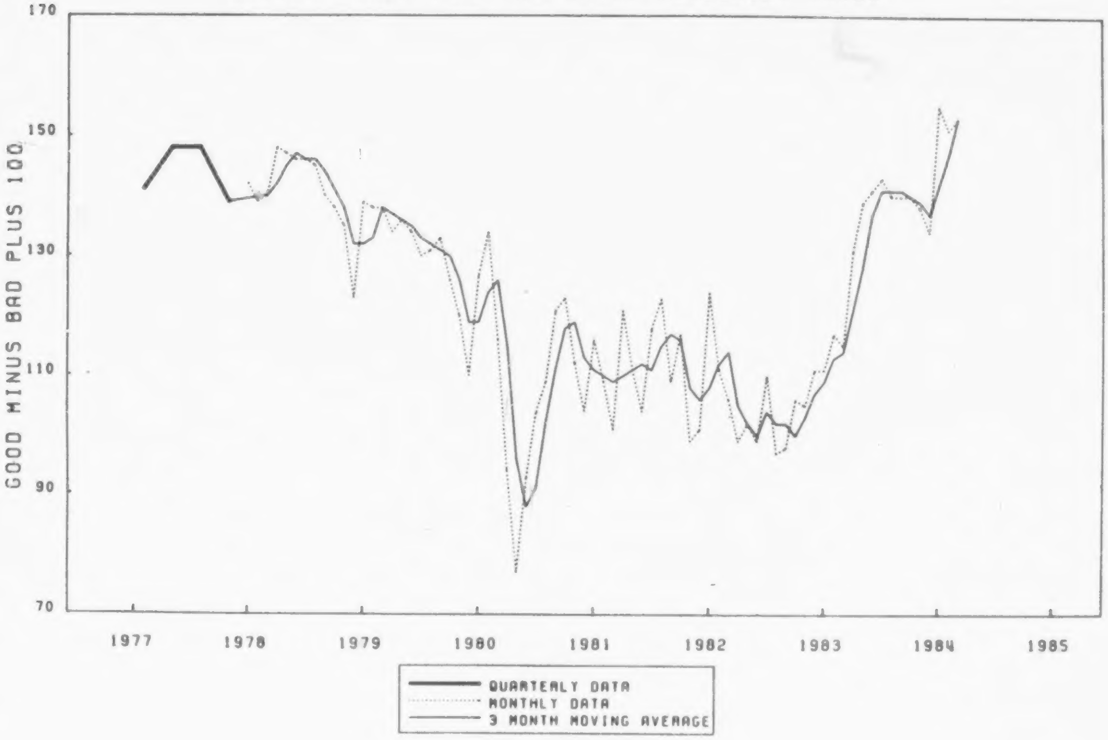
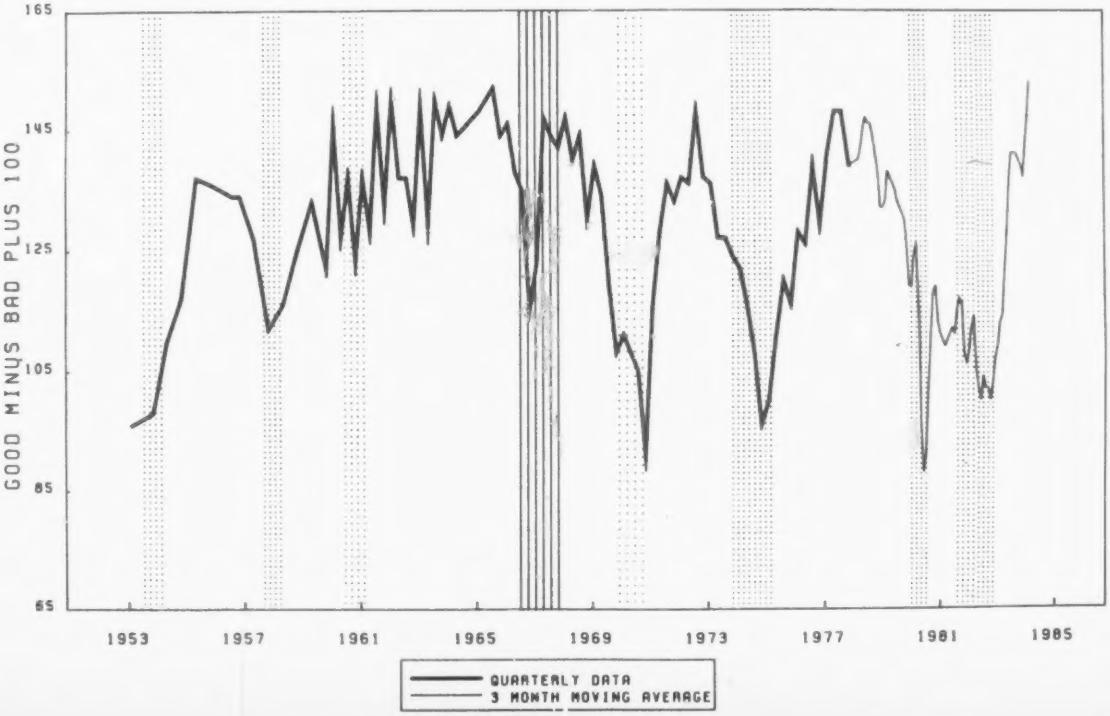


CHART 26 - HISTORICAL SERIES
BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS



## TABLE 26

## BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS

| | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| GOOD TIME TO BUY | 53% | 61% | 67% | 66% | 67% | 64% | 66% | 65% | 64% | 61% | 73% | 70% | 72% |
| UNCERTAIN, DEPENDS | 9 | 9 | 5 | 9 | 9 | 12 | 8 | 10 | 10 | 12 | 9 | 11 | 9 |
| BAD TIME TO BUY | 38 | 30 | 28 | 25 | 24 | 24 | 26 | 25 | 26 | 27 | 18 | 19 | 19 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 |

The question was: "About the big things people buy for their homes--such as furniture, a refrigerator, stove, television, and things like that. Generally speaking, do you think now is a good or a bad time for people to buy major household items?"

CHART 27A - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR DURABLES

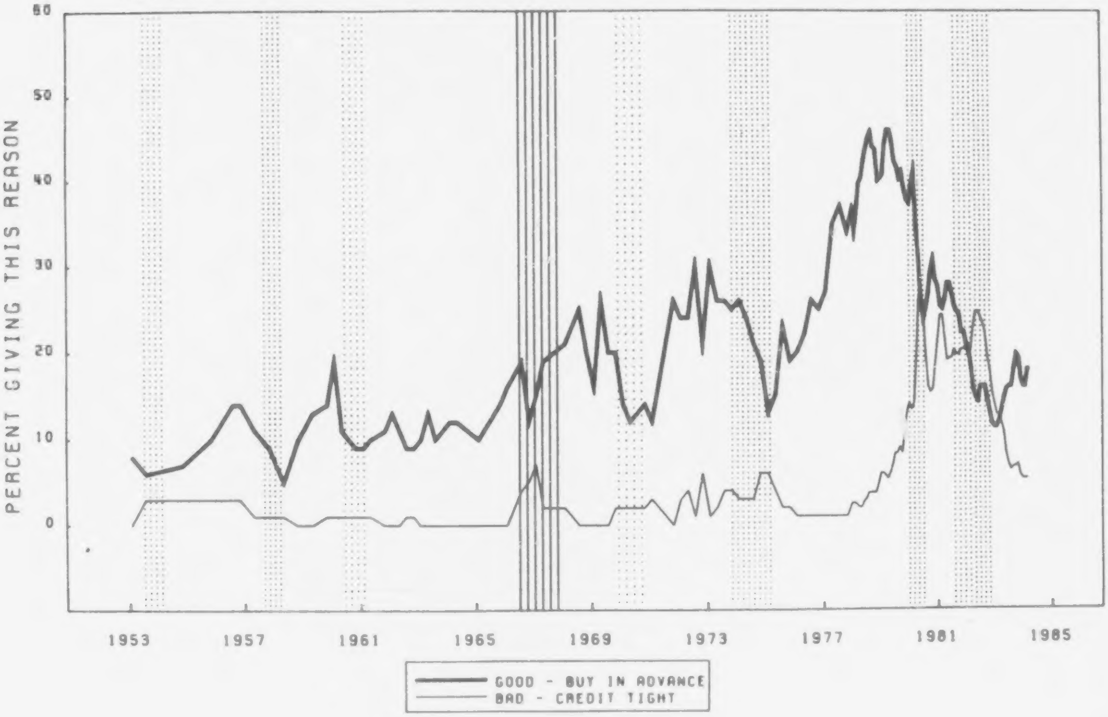
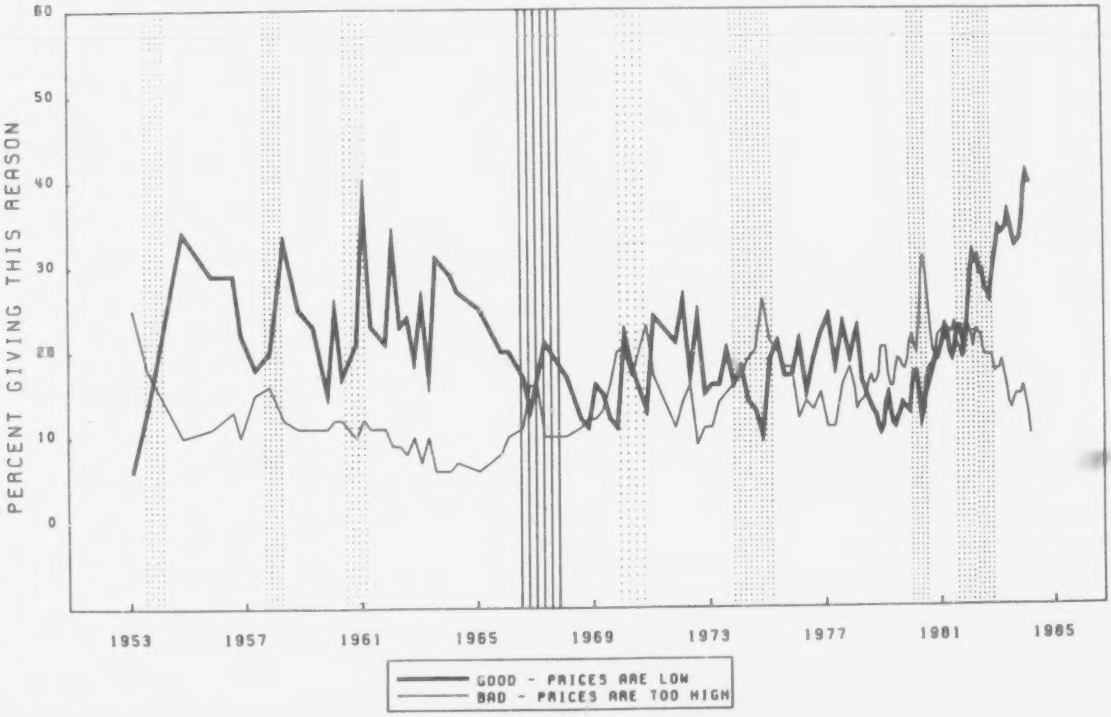


CHART 27B - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR DURABLES



## TABLE 27

### SELECTED REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS +

| | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| GOOD TIME TO BUY: | | | | | | | | | | | | | |
| Prices are low; good buys available | 30% | 36% | 37% | 35% | 32% | 33% | 32% | 33% | 34% | 38% | 45% | 39% | 35% |
| Prices won't come down; are going higher | 12 | 15 | 17 | 15 | 16 | 17 | 21 | 21 | 16 | 13 | 19 | 16 | 19 |
| Interest rates low; credit is easy | 12 | 14 | 13 | 16 | 13 | 12 | 12 | 7 | 8 | 7 | 9 | 11 | 10 |
| BAD TIME TO BUY: | | | | | | | | | | | | | |
| Prices are high | 19 | 16 | 12 | 13 | 14 | 15 | 15 | 14 | 15 | 18 | 10 | 10 | 10 |
| Interest rates are high; credit is tight | 13 | 11 | 8 | 6 | 7 | 6 | 7 | 7 | 7 | 3 | 6 | 7 | 3 |
| Lack of purchasing power | 18 | 15 | 16 | 12 | 9 | 11 | 11 | 12 | 8 | 10 | 7 | 7 | 9 |

Responses to the query: "Why do you say so?" following the question on Table 26.

+ : May add to more than 100% due to multiple mentions.

CHART 28 - RECENT CHANGES
BUYING CONDITIONS FOR HOUSES

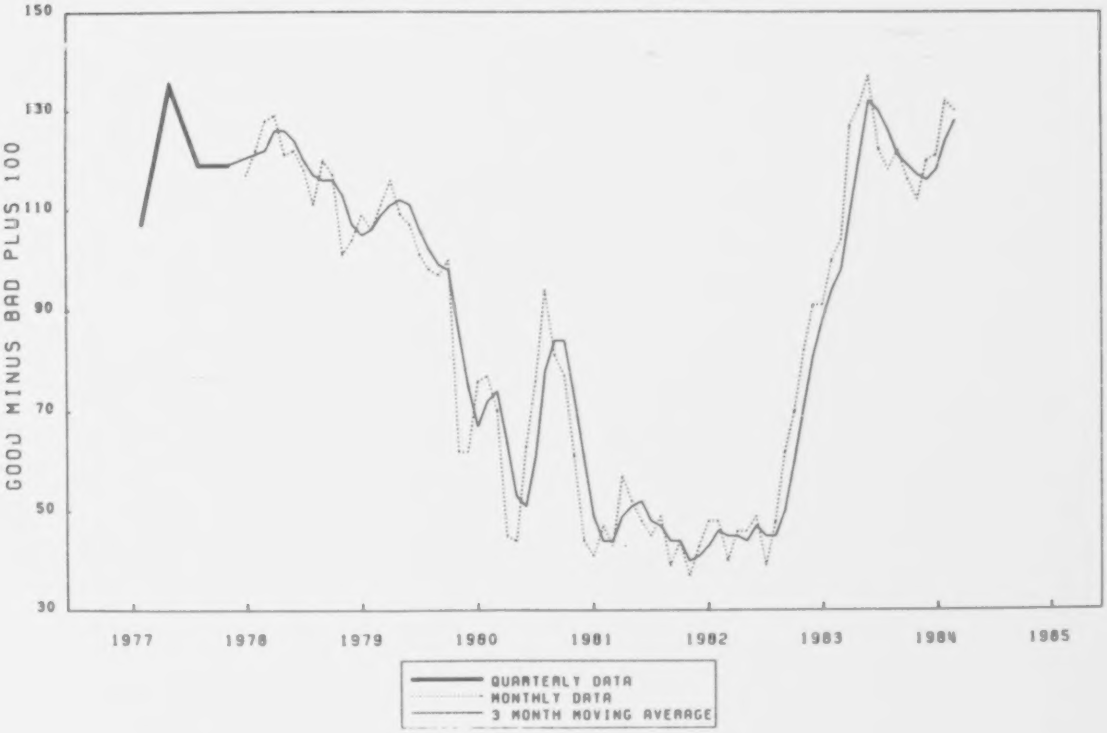
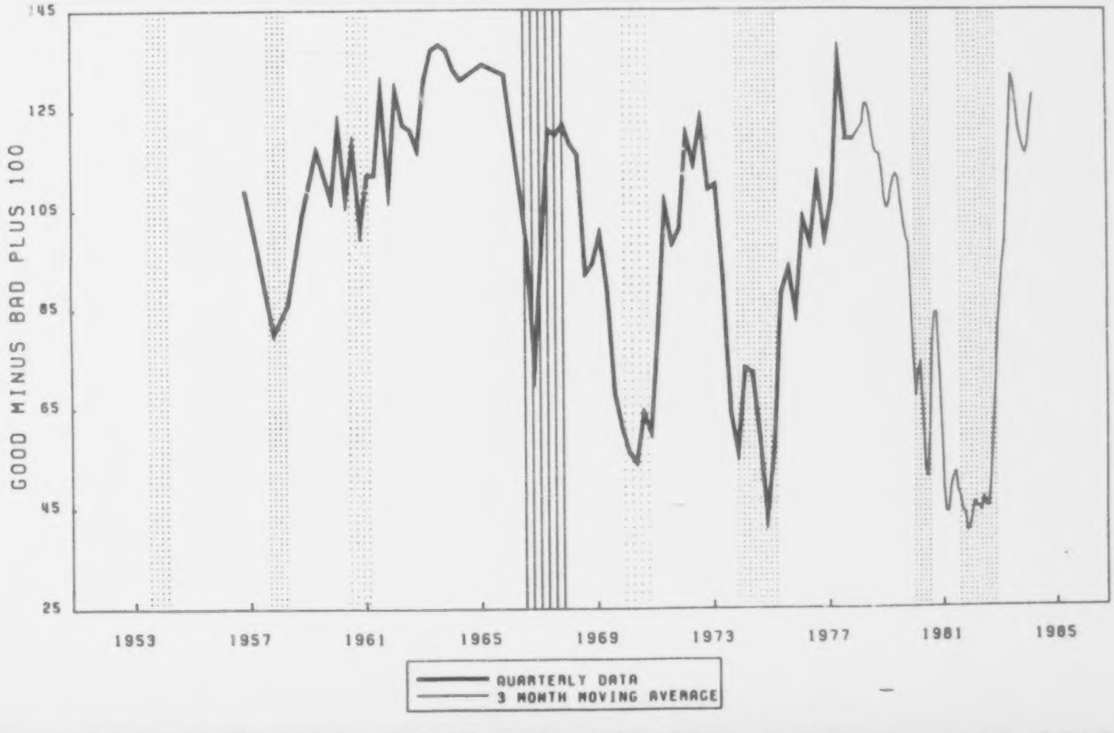


CHART 28 - HISTORICAL SERIES
BUYING CONDITIONS FOR HOUSES



## TABLE 28

## BUYING CONDITIONS FOR HOUSES

| | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| GOOD TIME TO BUY | 51% | 61% | 64% | 66% | 59% | 57% | 59% | 55% | 53% | 57% | 59% | 63% | 62% |
| UNCERTAIN, DEPENDS | 2 | 5 | 3 | 5 | 4 | 4 | 4 | 6 | 6 | 6 | 3 | 6 | 6 |
| BAD TIME TO BUY | 47 | 34 | 33 | 29 | 37 | 39 | 37 | 39 | 41 | 37 | 38 | 31 | 32 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 |

The question was: "Generally speaking, do you think now is a good time or a bad time to buy a house?"

CHART 29A - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR HOUSES

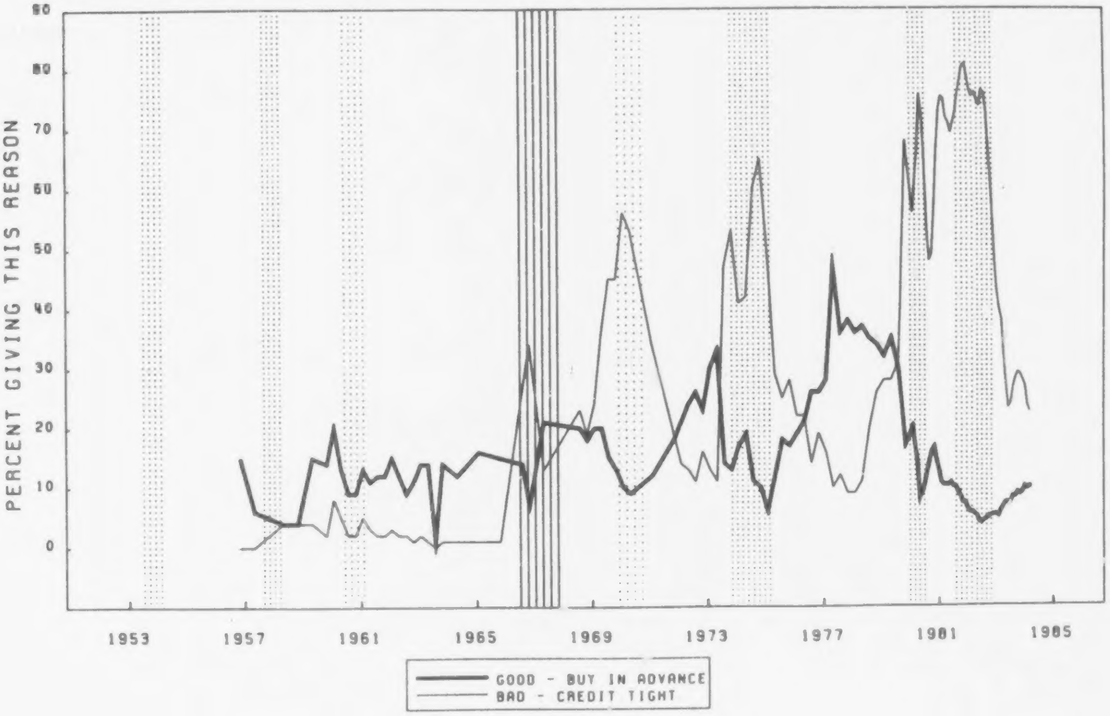
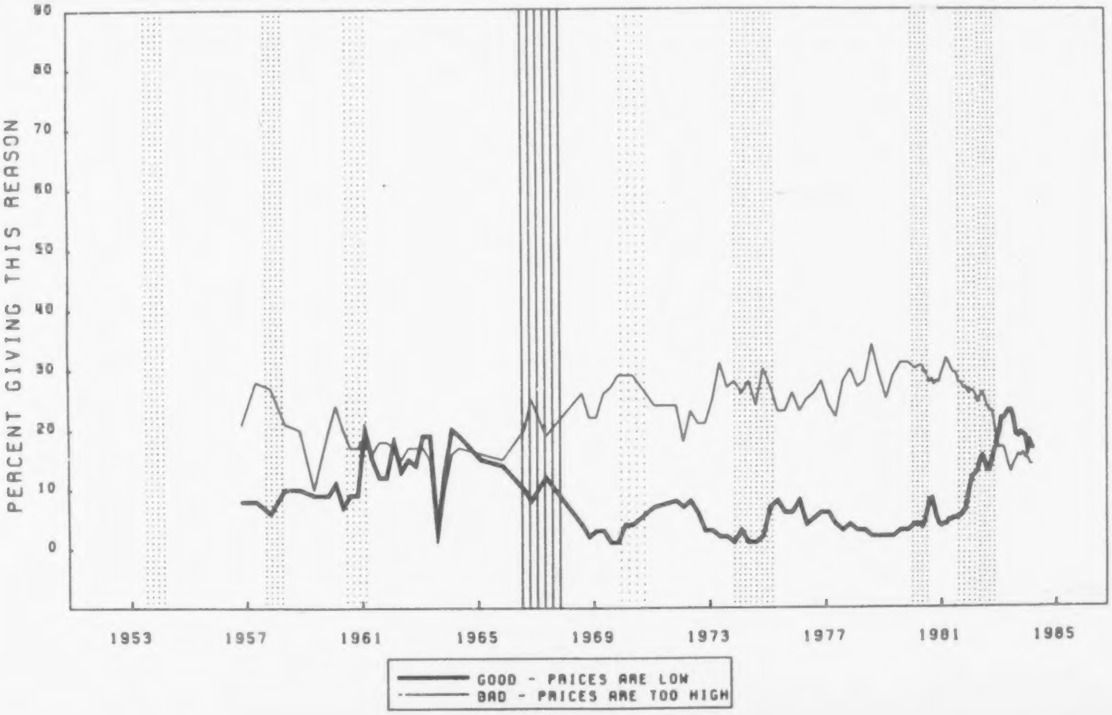


CHART 29B - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR HOUSES



## TABLE 29

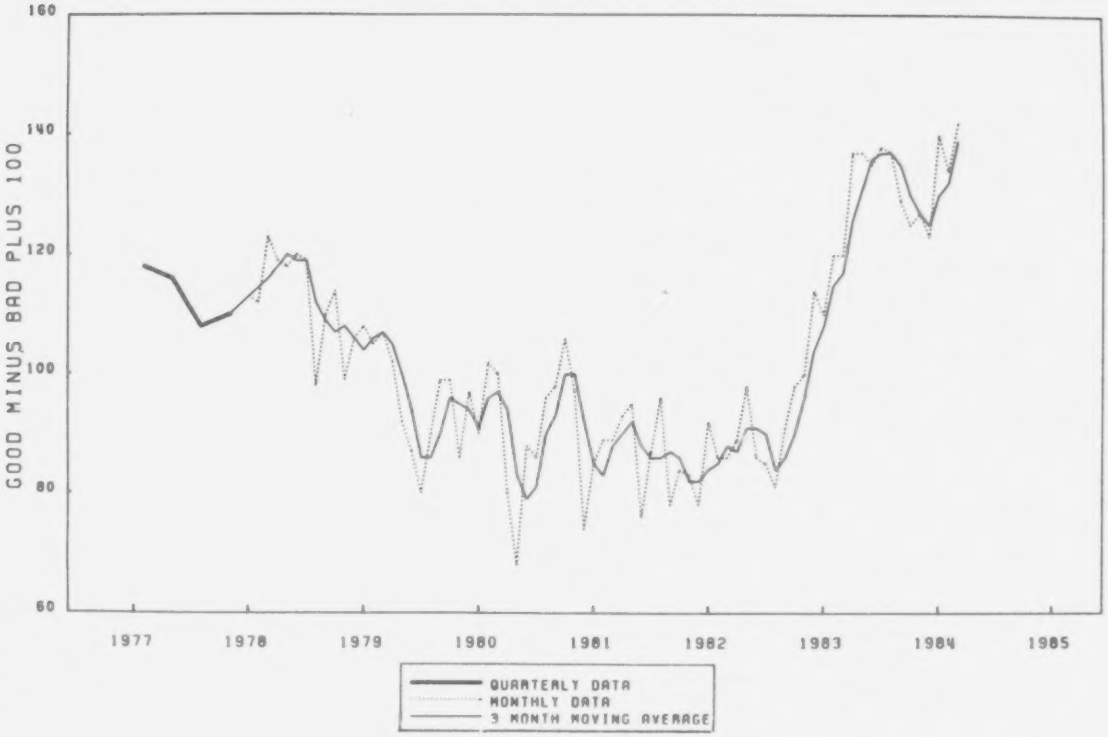
## SELECTED REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR HOUSES +

| | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| GOOD TIME TO BUY: | | | | | | | | | | | | | |
| Prices are low; good buys available | 20% | 24% | 25% | 20% | 20% | 17% | 19% | 22% | 16% | 18% | 15% | 20% | 15% |
| Prices won't come down; are going higher | 8 | 7 | 7 | 8 | 7 | 10 | 8 | 9 | 9 | 9 | 12 | 8 | 10 |
| Interest rates low; credit is easy | 44 | 54 | 57 | 61 | 49 | 44 | 47 | 38 | 40 | 41 | 41 | 50 | 49 |
| Good investment | 3 | 5 | 4 | 7 | 5 | 8 | 6 | 8 | 5 | 6 | 8 | 6 | 8 |
| BAD TIME TO BUY: | | | | | | | | | | | | | |
| Prices are high | 16 | 13 | 12 | 13 | 17 | 14 | 16 | 16 | 16 | 13 | 16 | 13 | 13 |
| Interest rates are high; credit is tight | 35 | 24 | 23 | 23 | 26 | 31 | 28 | 29 | 30 | 25 | 26 | 20 | 22 |
| Lack of purchasing power | 21 | 14 | 16 | 11 | 12 | 14 | 14 | 15 | 16 | 13 | 12 | 10 | 11 |

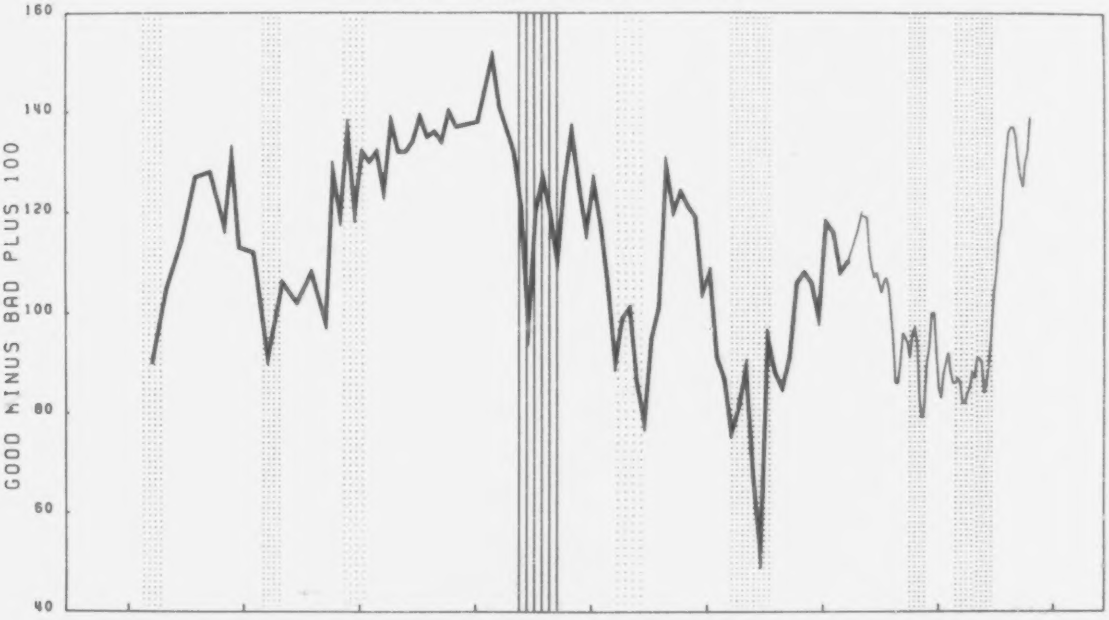
Responses to the query: "Why do you say so?" following the question on Table 28.

+ : May add to more than 100% due to multiple mentions.

## CHART 30 - RECENT CHANGES
## BUYING CONDITIONS FOR CARS



## CHART 30 - HISTORICAL SERIES
## BUYING CONDITIONS FOR CARS



## TABLE 30

## BUYING CONDITIONS FOR CARS

| | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| GOOD TIME TO BUY | 56% | 66% | 66% | 63% | 65% | 65% | 61% | 59% | 59% | 56% | 64% | 62% | 66% |
| UNCERTAIN; DEPENDS | 8 | 5 | 5 | 9 | 8 | 7 | 7 | 7 | 9 | 11 | 12 | 10 | 10 |
| BAD TIME TO BUY | 36 | 29 | 29 | 28 | 27 | 28 | 32 | 34 | 32 | 33 | 24 | 28 | 24 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 |

The question was: "Speaking now of the automobile market--do you think the next 12 months or so will be a good time or a bad time to buy a car?"

CHART 31A - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR CARS

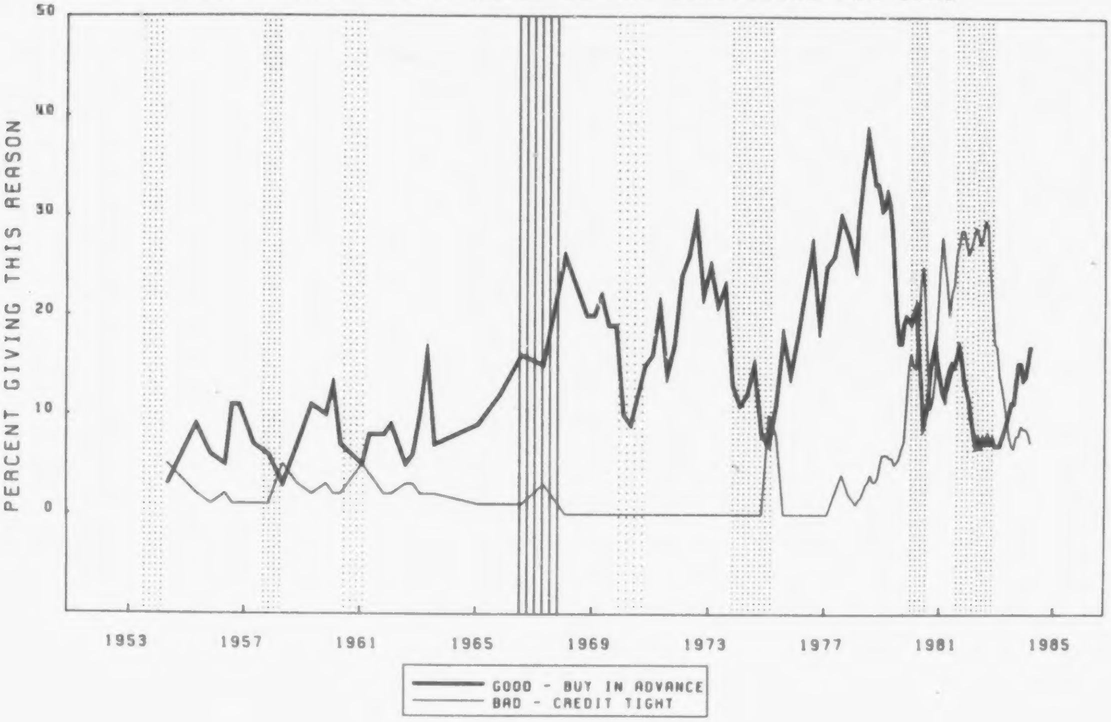
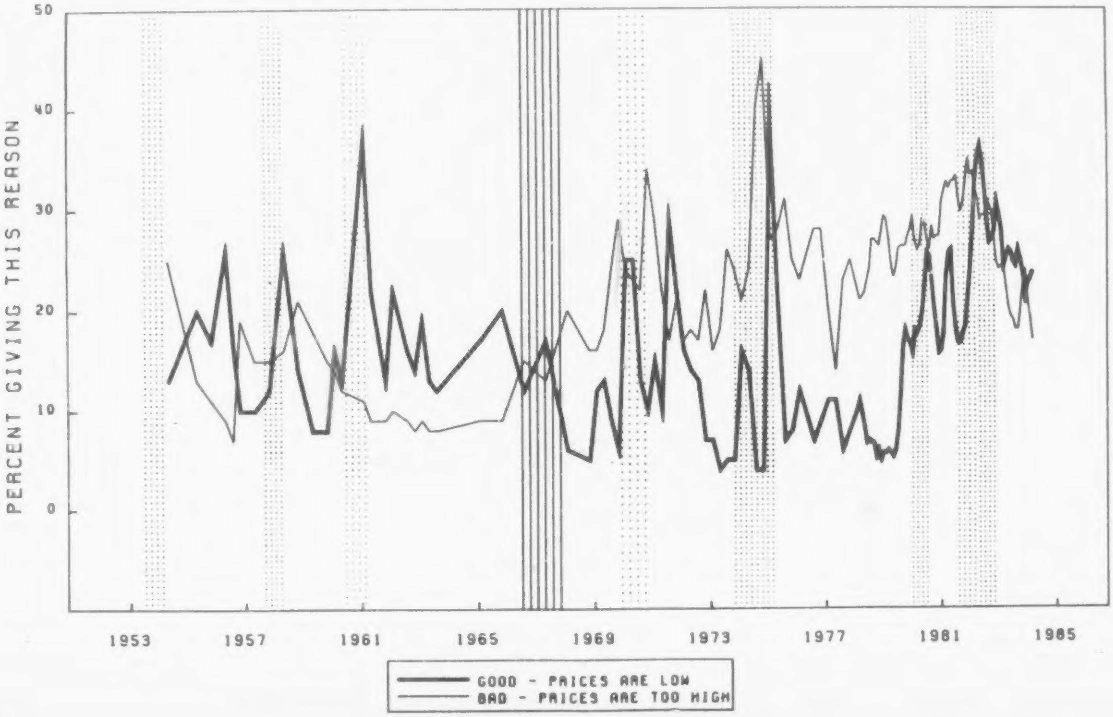


CHART 31B - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR CARS



## TABLE 31

## SELECTED REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR CARS +

| | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| GOOD TIME TO BUY: | | | | | | | | | | | | | |
| Prices are low; good buys available | 24% | 28% | 26% | 23% | 25% | 25% | 28% | 22% | 21% | 21% | 26% | 22% | 23% |
| Prices won't come down; are going higher | 8 | 8 | 12 | 11 | 11 | 12 | 17 | 17 | 12 | 12 | 18 | 16 | 17 |
| Interest rates low; credit is easy | 34 | 40 | 40 | 40 | 37 | 33 | 28 | 19 | 22 | 19 | 23 | 22 | 22 |
| New fuel efficient models | 2 | 2 | * | 1 | 2 | 1 | 2 | 2 | 2 | 2 | 1 | 2 | 1 |
| BAD TIME TO BUY: | | | | | | | | | | | | | |
| Prices are high | 23 | 19 | 19 | 20 | 18 | 16 | 20 | 25 | 23 | 24 | 16 | 18 | 17 |
| Interest rates are high; credit is tight | 11 | 11 | 7 | 6 | 8 | 6 | 10 | 8 | 9 | 9 | 8 | 8 | 6 |
| Lack of purchasing power | 10 | 7 | 7 | 7 | 7 | 9 | 6 | 8 | 6 | 5 | 3 | 5 | 5 |
| Price of gas; shortages | * | * | 1 | 1 | * | 1 | * | * | * | * | * | * | 1 |
| Poor selection; quality | 5 | 5 | 5 | 6 | 5 | 4 | 4 | 6 | 6 | 5 | 5 | 4 | 4 |

Responses to the query: "Why do you say so?" following the question on Table 30.

+ : May add to more than 100% due to multiple mentions.

* : Less than half of one percent.

CHART 32 - RECENT CHANGES
PLANS TO PURCHASE AN AUTOMOBILE DURING THE NEXT 12 MONTHS

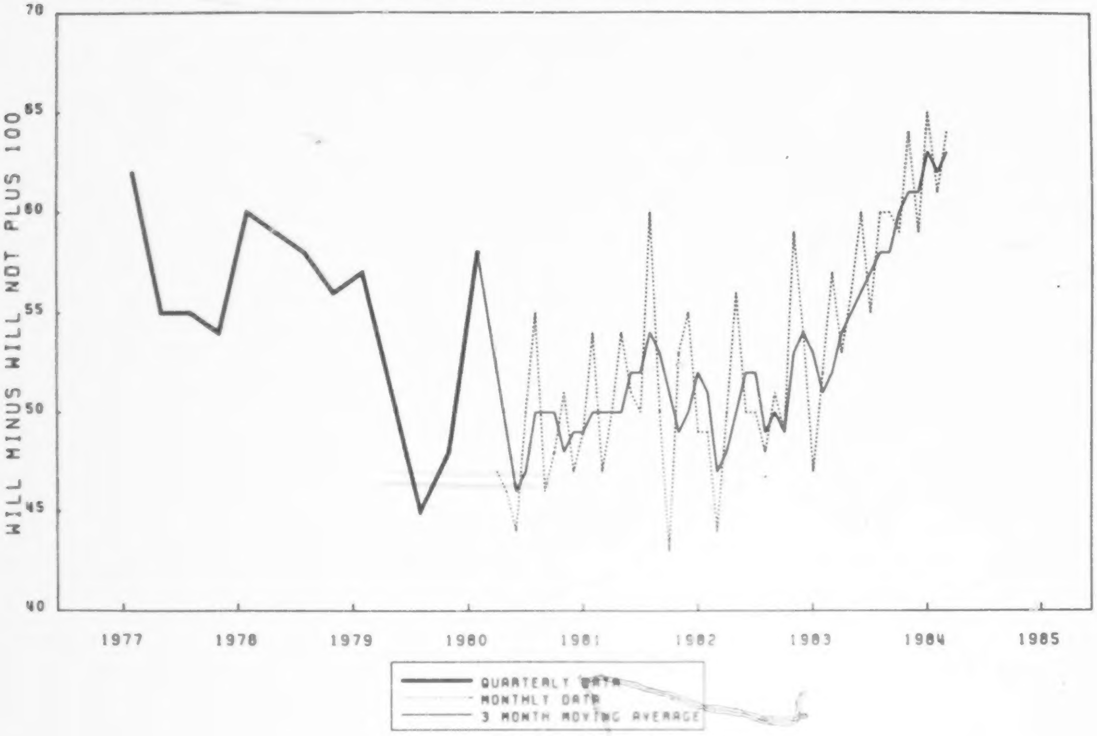
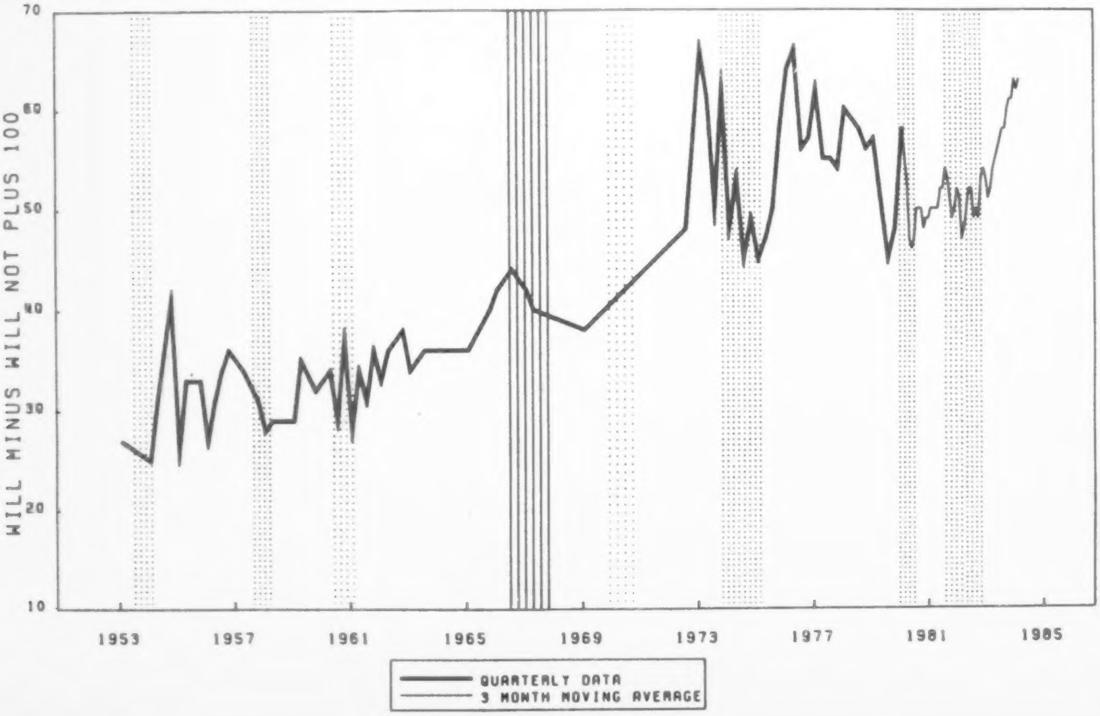


CHART 32 - HISTORICAL SERIES
PLANS TO PURCHASE AN AUTOMOBILE DURING THE NEXT 12 MONTHS



## TABLE 32

## PLANS TO PURCHASE AN AUTOMOBILE DURING THE NEXT 12 MONTHS

|  | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| PROBABLY WILL BUY | 20% | 17% | 17% | 22% | 18% | 21% | 21% | 21% | 22% | 20% | 23% | 21% | 22% |
| CHANCES ARE EVEN | 7 | 9 | 9 | 7 | 6 | 7 | 9 | 8 | 9 | 8 | 7 | 9 | 12 |
| PROBABLY WILL NOT BUY | 63 | 64 | 61 | 62 | 63 | 61 | 61 | 62 | 58 | 61 | 58 | 60 | 58 |
| DK,NA | 10 | 10 | 13 | 9 | 13 | 11 | 9 | 9 | 11 | 11 | 12 | 10 | 8 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 696 | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 |

The question was: "What do you think are the chances that you (or anyone else in your family living there) will buy or lease a car during the next 12 months--would you say you probably will, probably will not, or are the chances about even, or what?"

## TABLE 33

## CURRENT VEHICLE PURCHASE INTENTIONS

| | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| PROPORTION WITH CURRENT PURCHASE INTENTIONS: | 27% | 26% | 26% | 29% | 24% | 28% | 30% | 29% | 31% | 28% | 30% | 30% | 34% |
| PURCHASE TYPE: | | | | | | | | | | | | | |
| Buy new | 13 | 14 | 12 | 13 | 11 | 15 | 13 | 17 | 17 | 16 | 15 | 14 | 16 |
| Buy used | 12 | 11 | 11 | 13 | 11 | 11 | 14 | 9 | 12 | 9 | 13 | 13 | 17 |
| Lease | 1 | * | 2 | 2 | 1 | 1 | 1 | 2 | 1 | 2 | 1 | 2 | 1 |
| DK,NA | 1 | 1 | 1 | 1 | 1 | 1 | 2 | 1 | 1 | 1 | 1 | 1 | * |
| PURCHASE TIMING: | | | | | | | | | | | | | |
| Next 3 months | 1 | 6 | 2 | 1 | 4 | 5 | 2 | 6 | 4 | 2 | 5 | 3 | 2 |
| Next 4-6 months | 7 | 6 | 7 | 10 | 6 | 4 | 7 | 8 | 5 | 4 | 10 | 7 | 10 |
| Next 7-9 months | 9 | 7 | 8 | 8 | 3 | 5 | 5 | 8 | 9 | 10 | 7 | 8 | 8 |
| 10 months or more | 6 | 2 | 4 | 4 | 6 | 7 | 9 | 4 | 8 | 8 | 4 | 5 | 8 |
| DK,NA | 4 | 5 | 5 | 6 | 5 | 7 | 7 | 3 | 5 | 4 | 4 | 7 | 6 |

If response was "PROBABLY WILL BUY" or "CHANCES ARE EVEN" in Table 32, then the questions were: "If you do buy or lease a car, would it be a new car, or a used car?" , "Would you buy or lease?" and "When do you think you might buy or lease a car?"

* : Less than half of one percent.

## TABLE 34

## FUTURE VEHICLE PURCHASE INTENTIONS

| | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| PROPORTION WITH FUTURE PURCHASE INTENTIONS: | 63% | 64% | 61% | 62% | 63% | 61% | 61% | 62% | 58% | 61% | 58% | 60% | 58% |
| PURCHASE TYPE: | | | | | | | | | | | | | |
| Would buy new | 31 | 38 | 36 | 37 | 37 | 33 | 33 | 33 | 36 | 36 | 36 | 32 | 32 |
| Would buy used | 31 | 25 | 24 | 24 | 24 | 27 | 27 | 29 | 21 | 24 | 21 | 26 | 25 |
| DK,NA | 1 | 1 | 1 | 1 | 2 | 1 | 1 | * | 1 | 1 | 1 | 2 | 1 |
| PURCHASE TIMING: | | | | | | | | | | | | | |
| Less than 2 years | 6 | 8 | 7 | 6 | 8 | 6 | 8 | 6 | 5 | 7 | 5 | 8 | 7 |
| 2 years | 20 | 22 | 24 | 20 | 23 | 21 | 22 | 20 | 19 | 23 | 19 | 20 | 19 |
| 3 years | 11 | 12 | 10 | 10 | 9 | 9 | 10 | 11 | 10 | 9 | 10 | 9 | 9 |
| 4 years or more | 21 | 16 | 18 | 21 | 18 | 18 | 15 | 19 | 18 | 17 | 17 | 17 | 16 |
| Indefinite | 1 | 2 | 1 | 1 | 2 | 2 | 2 | * | 1 | 1 | 2 | 3 | 3 |
| DK,NA | 4 | 4 | 1 | 4 | 3 | 5 | 4 | 6 | 5 | 4 | 5 | 3 | 4 |

If response was "PROBABLY WILL NOT BUY" in Table 32, then the questions were: "If you were to buy a car, would it be a new car or a used car? and "How long do you think it may be before will buy or lease a car?"

* : Less than half of one percent.

# EXPLANATORY CHARTS

CHART 1 - RECENT CHANGES
THE INDEX OF CONSUMER SENTIMENT

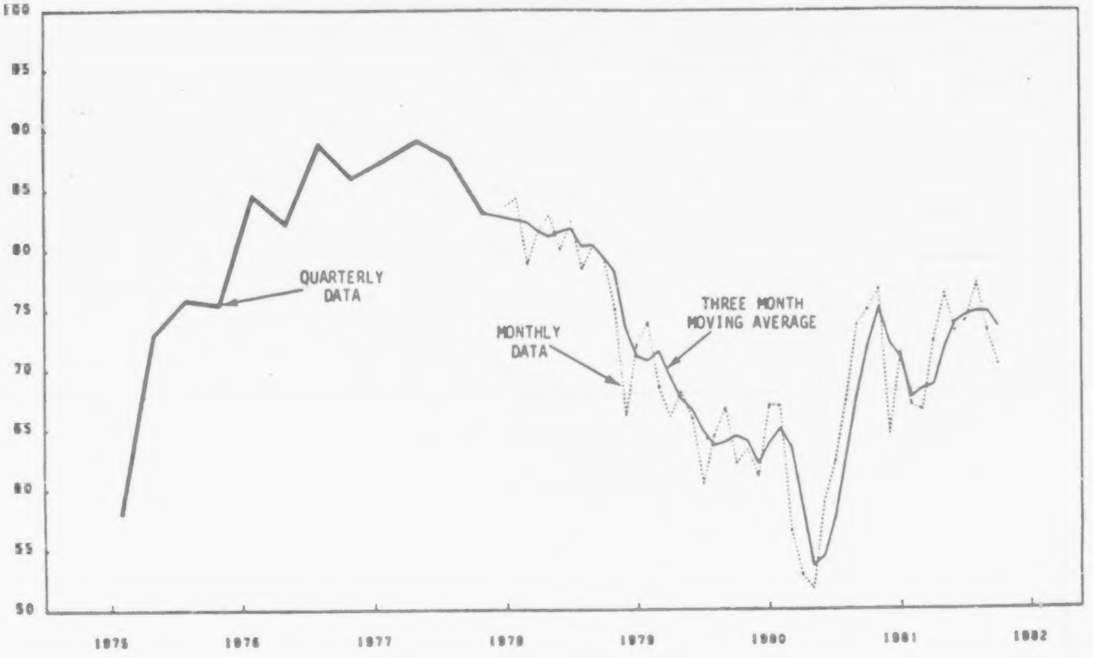


CHART 1 - HISTORICAL SERIES
THE INDEX OF CONSUMER SENTIMENT

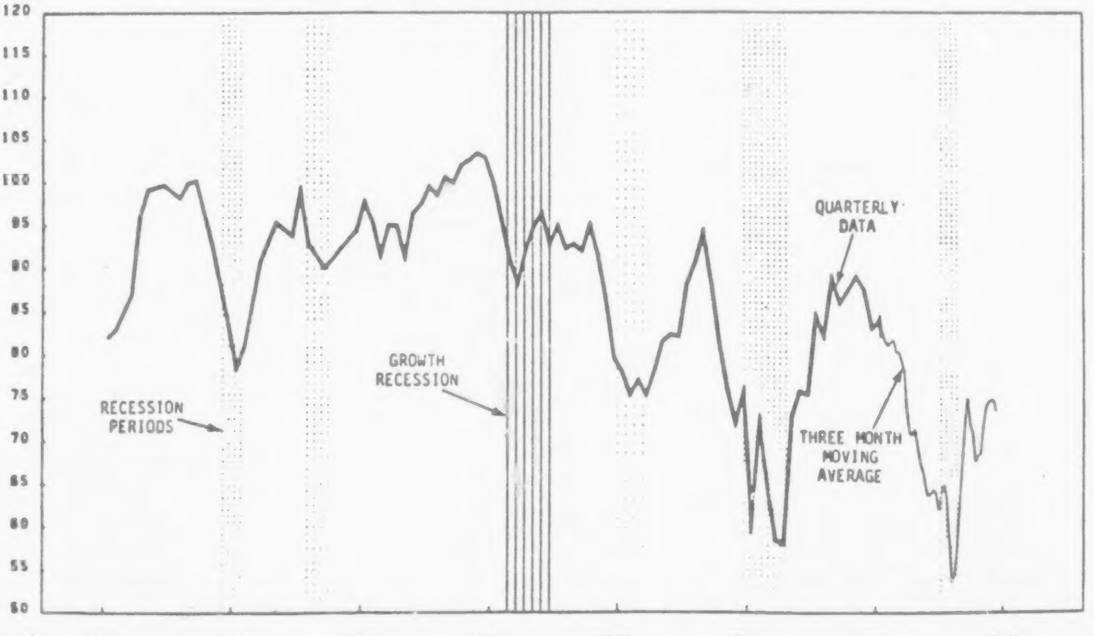


TABLE 34

FUTURE VEHICLE PURCHASE INTENTIONS

| | Mar. 1983 | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| PROPORTION WITH FUTURE PURCHASE INTENTIONS: | 63% | 64% | 61% | 62% | 63% | 61% | 61% | 62% | 58% | 61% | 58% | 60% | 58% |
| PURCHASE TYPE: | | | | | | | | | | | | | |
| Would buy new | 31 | 38 | 36 | 37 | 37 | 33 | 33 | 33 | 36 | 36 | 36 | 32 | 32 |
| Would buy used | 31 | 25 | 24 | 24 | 24 | 27 | 27 | 29 | 21 | 24 | 21 | 26 | 25 |
| DK,NA | 1 | 1 | 1 | 1 | 2 | 1 | 1 | * | 1 | 1 | 1 | 2 | 1 |
| PURCHASE TIMING: | | | | | | | | | | | | | |
| Less than 2 years | 6 | 8 | 7 | 6 | 8 | 6 | 8 | 6 | 5 | 7 | 5 | 8 | 7 |
| 2 years | 20 | 22 | 24 | 20 | 23 | 21 | 22 | 20 | 19 | 23 | 19 | 20 | 19 |
| 3 years | 11 | 12 | 10 | 10 | 9 | 9 | 10 | 11 | 10 | 9 | 10 | 9 | 9 |
| 4 years or more | 21 | 16 | 18 | 21 | 18 | 18 | 15 | 19 | 18 | 17 | 17 | 17 | 16 |
| Indefinite | 1 | 2 | 1 | 1 | 2 | 2 | 2 | * | 1 | 1 | 2 | 3 | 3 |
| DK,NA | 4 | 4 | 1 | 4 | 3 | 5 | 4 | 6 | 5 | 4 | 5 | 3 | 4 |

If response was "PROBABLY WILL NOT BUY" in Table 32, then the questions were: "If you were to buy a car, would it be a new car or a used car? and "How long do you think it may be before will buy or lease a car?"

* : Less than half of one percent.

## DESCRIPTION OF CHART LINES

QUARTERLY DATA: Data collected by surveys conducted at three-month intervals before 1978.

MONTHLY DATA: Data collected by surveys conducted each month since January of 1978.

THREE-MONTH MOVING AVERAGE: Each point plotted represents the average of the three monthly observations ending at the date plotted.

## TIME SCALE LABELS

Each tic mark on the time scale represents the month of January for the indicated year.

## NATIONAL BUREAU OF ECONOMIC RESEARCH, REFERENCE DATES FOR RECESSIONS

DATES: November 1948 - October 1949
July 1953 - May 1954
August 1957 - April 1958
April 1960 - February 1961
June 1966 - November 1967*
December 1969 - November 1970
November 1973 - March 1975
January 1980 - July 1980
July 1981 - November 1982

Notes:

RECESSION PERIOD: Reduction in the national output of goods and services, generally lasting at least two quarters.

*GROWTH RECESSION: Retardation in the rate of growth of output and employment (usually followed by a recession and always the initial stage of a recession).

## APPROXIMATE SAMPLING ERRORS[a] OF SURVEY FINDINGS

(In percentages by size of sample or subgroup)

| Reported Percentages | Number of Interviews | | |
|---|---|---|---|
| | 700[b] | 1,400[c] | 2,100[d] |
| 50 | 4.2 | 3.2 | 2.8 |
| 30 or 70 | 3.8 | 2.9 | 2.5 |
| 20 or 80 | 3.4 | 2.6 | 2.2 |
| 10 or 90 | 2.5 | 1.9 | 1.6 |
| 5 or 95 | 1.8 | 1.4 | 1.2 |

---

[a] The figures in this table represent two standard errors. Hence, for most items the chances are 95 in 100 that the value being estimated lies within a range equal to the reported percentages, plus or minus the sampling error.

[b] Average size of monthly surveys.

[c] Average size of two monthly surveys.

[d] Average size of three monthly surveys (one quarter).

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MARCH 1984 MONTHLY REPORT April 9, 1984

# Surveys of Consumer Attitudes

Richard T. Curtin, *Director*

## CONSUMER CONFIDENCE REACHES 20-YEAR PEAK

** In the March 1984 survey, the Index of Consumer Sentiment stood at 101.0, the highest level recorded since 1965 when the all-time peak of 103.4 was reached. Although the Index gained nearly 20 points over each of the prior two years, much of the improvement recorded from 1982 to 1983 centered on expectations for future improvement, while during the past year evaluations of current economic conditions improved to a greater extent.

** Nearly half of all families in the March 1984 survey reported that their financial situation had improved during the past year, the highest proportion recorded since 1964. These improvements in personal finances has prompted greater willingness on the part of consumers to use accumulated savings or to incur new debt in order to make major new purchases.

** Attitudes toward buying conditions for vehicles reached a new all-time favorable level in the March 1984 survey. Among all families, 66 percent held favorable attitudes toward market conditions for vehicles, compared with just 24 percent that thought that current buying conditions were unfavorable.

** Prospects for the economy as a whole remained at very favorable levels in the March 1984 survey. Nearly half of all families (47 percent) expected good times in the economy over the next 5 years or so, the highest level in more than a decade. Although the economy is expected to remain at favorable levels, consumers expected the pace of improvement to slow during the year ahead.

** Most consumers are aware of the current federal budget deficit, and expect the deficits to persist in the years ahead. Despite the widespread expression of concern, the majority do not expect the deficits to adversely affect the economy in general during the next year. Budget deficits were associated with significantly higher interest rate expectations, and rising interest rates are likely to focus and heighten concerns with the federal deficits.

* * *

The new cyclical peak recorded in the March survey points toward continued growth in consumer sales during 1984. Consumer sensitivity to interest rate trends has greatly heightened in recent years, and rapid interest rate increases could again cause sharp reversals in favorable buying attitudes.

Monitoring Economic Change Program
Institute for Social Research • P.O. Box 1248 • Ann Arbor, Michigan 48106-1248 • (313) 763-5224

## FAMILY FINANCES BEST IN DECADE

Widespread and substantial improvements in the personal financial situation of American families has been recorded during the past year. In the March 1984 survey, 48 percent of all families reported that their financial situation had improved, up from 31 percent one year earlier, and just below the all-time peak of 50 percent recorded in 1965. Increases in family incomes were mentioned more frequently in the March 1984 survey (39 percent) than one year earlier (27 percent), while declines in family incomes were mentioned less frequently (15 percent) than one year earlier (26 percent).

Not only have favorable reports of recent financial progress been recorded, but American families also expect continued improvement during the year ahead. Among all families in the March 1984 survey, 44 percent expected their personal financial situation to improve, regaining the cyclical peak first reached in May of 1983, and the highest level recorded since 1964. Increases in family incomes during the year ahead were expected by 66 percent of all families in the March 1984 survey, up from 55 percent one year earlier. Just seven percent of all families expected income declines in the March 1984 survey, down from 17 percent one year earlier.

The cumulative impact of the short-term improvements in personal finances has led to more favorable longer-term evaluations. Among all families, 58 percent reported in the first quarter 1984 surveys that their current financial situation had improved compared with five years earlier, up from 47 percent in the first quarter 1983 surveys (see Table A). Unfavorable evaluations of the longer-term trends in their financial situation were reported by 27 percent of all families, down from 38 percent one year earlier. As with short-term evaluations of personal finances, much of the improvement in these longer-term expectations was recorded during the past year.

Longer term personal financial expectations have also improved. Among all families, 54 percent expected their personal financial situation to improve during the next five years, up from 52 percent one year earlier, and 37 percent five years earlier (see Table B). In the 1984 surveys, just 11 percent of all families expected their personal financial situation to worsen during the next five years, down from a peak of 26 percent recorded in the first quarter of 1980.

## CONSUMERS WILLING TO SPEND

These improvements in their personal financial situation have led families to be more willing to use accumulated savings or to incur new debt in order to make major new purchases. Among all families in the March 1984 survey, 40 percent reported their willingness to use accumulated savings in order to make major purchases, up from 29 percent one year earlier, and the highest level in more than three years (see Table C). When asked about their willingness to incur new debt in order to make major purchases, 31 percent of all families reported their willingness to use credit, up from 20 percent one year earlier, and 13 percent two years earlier (see Table D).

## GOOD TIME TO BUY

Attitudes toward buying conditions for vehicles, houses, and large household durables each remained at or near record favorable levels in the March 1984 survey.

Favorable attitudes toward buying conditions for vehicles reached a new all-time record level in the March 1984 survey. Among all families, 66 percent reported that vehicle buying conditions were favorable, compared with just 24 percent of all families that reported unfavorable buying conditions. At 66 percent, the March survey replicates the record proportion holding favorable attitudes first recorded in the April and May 1983 surveys, while fewer families held unfavorable attitudes in March 1984 (24 percent) than in April and May of 1983 (29 percent). Fewer families mentioned the availability of lower interest rates on vehicle loans in the March 1984 survey compared with one year earlier (22 percent down from 34 percent), and fewer registered complaints about high interest rates (6 percent down from 11 percent). Complaints about high vehicle prices fell to 17 percent in March 1984 from 23 percent one year earlier, while the appeal of lower prices and discounts was reported by 23 percent, just below the 24 percent recorded one year earlier. Importantly, buy-in-advance price rationale with regard to the vehicle market rose to 17 percent in the March 1984 survey from 8 percent one year earlier.

Attitudes toward buying conditions for houses remained at very favorable levels in the March 1984 survey. Among all families, 62 percent held favorable attitudes toward buying conditions for houses, just below the 63 percent recorded one month earlier, and the cyclical peak of 66 percent recorded in June 1983. When asked about their views toward buying conditions for houses, 49 percent of all families mentioned the availability of lower mortgage rates, up from 44 percent one year earlier, while references to high mortgage rates fell to 22 percent in March 1984 from 35 percent one year earlier. Consumers continue to maintain a favorable view of housing prices in the March 1984 survey, with 15 percent referring to the availability of lower prices, compared with 13 percent that registered complaints about high housing prices. Interestingly, buy-in-advance price rationales with regard to the housing market has shown only a marginal and insignificant increase, rising to 10 percent in March 1984 from 8 percent one year earlier.

Favorable attitudes toward buying conditions for large household durables were held by 72 percent of all families in the March 1984 survey, just below the cyclical peak of 73 percent recorded in January, and substantially above the 53 percent recorded one year earlier. In the March 1984 survey, just 19 percent of all families thought current buying conditions for large household durables were unfavorable, down from 38 percent one year earlier. When asked to explain their views on market conditions for large household durables, 35 percent of all families referred to lower prices and the availability of good buys in the March 1984 survey, down from the peak level of 45 percent recorded in January, but above the 30 percent recorded one year earlier. Resistance to high prices on household durables was reported by just 10 percent of all families in the March 1984 survey, down from 19 percent one year earlier.

## PROSPECTS FOR BUSINESS CONDITIONS REMAIN FAVORABLE

The March 1984 survey continued to record widespread awareness of the ongoing economic expansion. Among all families, 67 percent reported in the March survey that current economic conditions had improved compared to those of a year earlier, just below the all-time record level of 75 percent recorded in the January 1984 survey, but substantially above the 39 percent recorded one year earlier. Although evaluations of current economic conditions remained near record levels, few consumers expected the economy to continue at the current pace of improvement. Among all families in the March 1984 survey, the proportion that expected the economy to improve during the year ahead fell to 38 percent from 51 percent in March 1983. Importantly, this decline in expectations for continued improvement was not mirrored in increases in expectations of a renewed decline: just 11 percent of all families in the March 1984 survey expected the economy to worsen during the year ahead. Nearly the majority of all consumers (49 percent) expected the economy to remain unchanged at the current improved level.

The decline during the past year in favorable business expectations was accompanied by a shift in reasoning among consumers. When asked to explain why they expected business conditions to improve or worsen, fewer consumers mentioned the favorable impact from lower interest rates and easier credit conditions (2 percent, down from 13 percent) and more frequently referred to the expected favorable impact from government policies (17 percent, up from 10 percent).

## HIGHER INTEREST RATES EXPECTED TO SLOW PACE OF RECOVERY

The widespread expectation among consumers of higher interest rates represents the major reason underlying the expected slowing in the pace of economic expansion during the year ahead. Among all families in the March 1984 survey, 45 percent expected interest rates to increase during the year ahead, up from just 19 percent one year earlier. The proportion of families that expected interest rates to decline during the year ahead fell to 13 percent in the March 1984 survey, from 41 percent one year earlier.

Although the rate of improvement is expected to slow, favorable economic conditions were expected to persist in the near and longer terms. In the March 1984 survey, 69 percent of all families expected good times in the economy as a whole during the next 12 months, just below the cyclical peak of 73 percent recorded in January, and above the 52 percent recorded one year earlier. When asked about the prospects for the economy over the next five years or so, 47 percent of all families expected good economic times to persist over the longer term in the March 1984 survey, the highest level recorded in more than 20 years. Four years earlier, in March 1980, just 13 percent of all families expected good times in the economy as a whole over the longer term.

## FEDERAL BUDGET DEFICITS

In the March 1984 survey, respondents were asked about their views concerning the federal budget deficits, repeating questions asked in prior years. Awareness of the federal budget deficit was reported by 81 percent of all families in the March 1984 survey, up significantly from the 55 percent recorded in 1973 and 54 percent recorded in 1961 (see Table E). Few consumers thought that the federal budget was in balance in 1984 (6 percent) or in the earlier surveys. Importantly, the proportion of American families that reported they did not know whether the budget was in deficit or not fell over the past 20 years, to 10 percent in 1984 from 41 percent in 1961. The increased awareness of the federal budget deficit has also been accompanied by an increased concern. In the March 1984 survey, 45 percent reported that they were very concerned about the deficit, up from 23 percent in 1973.

When asked whether they expected the annual federal deficit to increase or decrease during the next year or so, nearly the majority (49 percent) of all respondents in the March 1984 survey expected increased deficits (see Table F). Just 14 percent of all respondents expected reductions in the annual federal deficit during the year ahead. Consumers did not expect much progress in the longer term either. Among all families, 73 percent expected that over the next five to ten years the federal budget would remain in deficit. In comparison, 20 percent of all families felt that the government would be successful in eliminating the deficit over the longer term (see Table G).

Despite this heightened concern, when asked about the impact federal deficits would have on business conditions, the majority (56 percent) in the March 1984 survey reported that deficits would not make any difference, just above the 53 percent recorded in 1982 (see Table H). The proportion of families that expected budget deficits to worsen economic conditions was 28 percent in the March 1984 survey, down from 33 percent two years earlier. A more sensitive measure of the salience of federal budget deficits uses an indirect measurement approach. As part of the regular monthly monitoring of consumer attitudes and expectations, respondents are asked to explain in their own words the reasoning underlying their opinions. In the March 1984 survey, when asked about news of recent economic developments, just 2 percent of all families mentioned federal budget deficits. And when asked about why they expected business conditions to improve or worsen during the year ahead, just 4 percent mentioned the adverse impact of federal budget deficits. Consequently, the use of fixed-choice questions resulted in much higher levels of expressed concern with federal deficits.

The relationship between views on the federal deficit and consumer attitudes and expectations is shown in Table J. Less favorable attitudes and expectations were held by respondents that expressed concern with the current deficit, and by respondents that expected continued deficits in the near and longer terms. In general, these differences across a wide array of attitudes and expectations, as indicated by the Index of Consumer Sentiment, were relatively small. The major exception, however, was with regard to interest rate expectations. Much less favorable interest rate expectations were consistently recorded among respondents that voice concern with the present deficit or expected continued deficits in the future. It appears that at the current time, concern with federal deficits has been neutralized due to the limited impact expected on the economy in general. Nonetheless, the major factor likely to translate this latent concern into a manifest concern with the performance of the economy is rising interest rates.

## TABLE A

## CURRENT FINANCIAL SITUATION COMPARED TO FIVE YEARS AGO

| | 1st Quarter Surveys | | | | | |
|---|---|---|---|---|---|---|
| | 1979 | 1980 | 1981 | 1982 | 1983 | 1984 |
| Better off | 51% | 51% | 48% | 52% | 47% | 58% |
| Same | 15 | 12 | 12 | 13 | 13 | 13 |
| Worse off | 33 | 35 | 39 | 35 | 38 | 27 |
| DK, NA | 1 | 2 | 1 | * | 2 | 2 |
| Total | 100% | 100% | 100% | 100% | 100% | 100% |
| Cases | 1361 | 1019 | 2069 | 2088 | 2087 | 2068 |

*Less than 0.5 percent.

The question was: "Now thinking back 5 years, would you say you (and your family living there) are better off or worse off financially now than you were 5 years ago?"

## TABLE B

## EXPECTED CHANGE IN FINANCIAL SITUATION IN FIVE YEARS

| | 1st Quarter Surveys | | | | | |
|---|---|---|---|---|---|---|
| | 1979 | 1980 | 1981 | 1982 | 1983 | 1984 |
| Better off | 37% | 39% | 43% | 48% | 52% | 54% |
| Same | 34 | 29 | 28 | 30 | 27 | 30 |
| Worse off | 21 | 26 | 19 | 16 | 15 | 11 |
| DK, NA | 8 | 6 | 10 | 6 | 6 | 5 |
| Total | 100% | 100% | 100% | 100% | 100% | 100% |
| Cases | 1361 | 1019 | 2069 | 2088 | 2087 | 2068 |

The question was: "And 5 years from now, do you expect that you (and your family living there) will be better off, worse off, or just about the same as now?"

## TABLE C

## OPINIONS ABOUT WHETHER NOW IS A GOOD TIME TO USE SAVINGS FOR MAJOR PURCHASES

(Percentage of families with savings)

| | March Surveys | | | |
|---|---|---|---|---|
| | 1981 | 1982 | 1983 | 1984 |
| OK to use savings: not especially reluctant | 30% | 30% | 29% | 40% |
| Pro-con | 1 | 2 | * | 1 |
| Not OK to use savings: especially reluctant | 67 | 68 | 70 | 57 |
| DK, NA | 2 | * | 1 | 2 |
| Total | 100% | 100% | 100% | 100% |
| Cases | 620 | 619 | 628 | 649 |

*Less than 0.5 percent.

The question was: "If there were a major purchase that you wanted to make, do you think that now is a time when it would be O.K. to use some of your savings or is now a time when you would be especially reluctant to use some of your savings?"

## TABLE D

## OPINIONS ABOUT WHETHER NOW IS A GOOD TIME TO USE CREDIT FOR MAJOR PURCHASES

| | March Surveys | | | |
|---|---|---|---|---|
| | 1981 | 1982 | 1983 | 1984 |
| OK to use credit: not especially reluctant | 12% | 13% | 20% | 31% |
| Pro-con | * | * | * | * |
| Not OK to use credit: especially reluctant | 86 | 86 | 79 | 67 |
| DK, NA | 2 | 1 | 1 | 3 |
| Total | 100% | 100% | 100% | 100% |
| Cases | 703 | 684 | 696 | 700 |

*Less than 0.5 percent.

The question was: "If there were something big that you wanted to buy, do you think that now is a time when it would be O.K. for you to buy it on credit, or is now a time when you would be especially reluctant to take on new debt?"

## TABLE E

## AWARENESS OF THE FEDERAL BUDGET DEFICIT

| Awareness of Budget Deficit | Nov. 1961 | Feb. 1973 | March 1984 |
|---|---|---|---|
| Deficit | 54% | 55% | 81% |
| Very Concerned | NA | 23 | 45 |
| A Little Concerned | NA | 22 | 29 |
| Not at all Concerned | NA | 10 | 7 |
| Budget Balanced | 4 | 9 | 6 |
| Don't Know | 41 | 35 | 10 |
| NA | 1 | 1 | 3 |
| Total | 100% | 100% | 100% |
| Cases | 956 | 1348 | 700 |

The questions were: (Feb. 1973, March 1984) "Do you happen to know whether the federal government is spending more money than it is taking in, so that it is operating with a deficit at present, or are federal government revenues and spending pretty much in balance?"

(Nov. 1961) "Now I have a few questions about the federal government; do you happen to know whether the federal government is now operating with a deficit?"

(Feb. 1973, March 1984) "Is this deficit something about which you are very concerned, a little concerned, or not at all concerned?"

## TABLE F

## EXPECTED REDUCTION IN THE FEDERAL BUDGET DEFICIT WITHIN THE NEXT YEAR (March 1984)

| Expected Deficit | All Households |
|---|---|
| Reduced | 14% |
| Same | 29 |
| Increased | 49 |
| Don't Know | 5 |
| NA | 3 |
| Total | 100% |
| Cases | 700 |

The question was: "During the next year or two, do you think the size of the annual budget will be reduced, will the size of the deficit remain about the same, or will the size of the annual budget deficit increase?"

## TABLE G

## EXPECTED REDUCTION IN THE FEDERAL BUDGET DEFICIT WITHIN THE NEXT FIVE TO TEN YEARS
(March 1984)

| Expected Federal Budget | All Households |
|---|---|
| Balanced Budget | 20% |
| Remain in Deficit | 73 |
| Don't Know | 5 |
| NA | 2 |
| Total | 100% |
| Cases | 700 |

The question was: "During the next 5 to 10 years, do you think the federal government will be successful in balancing the budget, or will the federal budget remain in deficit?"

## TABLE H

## THE EFFECTS OF FEDERAL BUDGET DEFICITS ON BUSINESS CONDITIONS

| Effects of Deficits On Business Conditions | April 1982 | March 1984 |
|---|---|---|
| Better | 7% | 10% |
| No Difference | 53 | 56 |
| Worse | 33 | 28 |
| Don't Know | 5 | 4 |
| NA | 2 | 2 |
| Total | 100% | 100% |
| Cases | 702 | 700 |

The question was: "Do you think the federal budget deficit expected during the next year will make business conditions in the country as a whole better or worse than at present, or won't it make much difference?"

TABLE J

THE RELATIONSHIP BETWEEN OPINIONS ON FEDERAL DEFICITS AND CONSUMER ATTITUDES AND EXPECTATIONS
(March 1984)

| | Index of Consumer Sentiment | Expected Change in Interest Rates |
|---|---|---|
| Concern With Budget Deficit | | |
| Very Concerned | 100.8 | 59[a] |
| A Little Concerned | 105.9 | 78 |
| Not at all Concerned | 106.8 | 91 |
| Expected Deficit Within 1 Year | | |
| Reduced | 114.6 | 80 |
| Same | 101.8 | 81 |
| Increased | 99.1 | 57 |
| Expected Budget Within 5 Years | | |
| Balanced Budget | 106.8 | 81 |
| Remain in Deficit | 101.8 | 65 |
| Effects of Deficit on Business Conditions | | |
| Better | 114.7 | 85 |
| No Difference | 105.4 | 76 |
| Worse | 92.1 | 49 |

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[a] Table entries represent the proportion of respondents that expected declines in interest rates minus the proportion that expected increases in interest rates.

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# SURVEYS OF CONSUMER ATTITUDES

## TABLES AND CHARTS

APRIL 1984

SURVEY RESEARCH CENTER
UNIVERSITY OF MICHIGAN

Institute for Social Research

# TABLES AND CHARTS

## APRIL 1984

The April 1984 survey is the 187th in a series of surveys of consumer attitudes conducted by the Survey Research Center at The University of Michigan. Initiated in 1946, these periodic surveys provide regular assessments of consumer attitudes and expectations, and are used to evaluate economic trends and prospects. The surveys are designed to explore why changes in consumer attitudes and expectations occur, and how these changes influence consumer spending and saving decisions.

Two charts highlight recent changes and historical patterns for most questions. Recent change charts include quarterly data before 1978 and monthly data starting in January of 1978. Historical series charts show quarterly data before 1978 and 3 month moving averages since then. See the explanatory charts at the end of this book for a detailed description.

All surveys are subject to sampling error because not all members of the population are interviewed. Most results on the total sample for this monthly survey will differ by no more than 4 percentage points in either direction from what would have been obtained by using the same methods on the entire population. See the back of this book for sampling error information.

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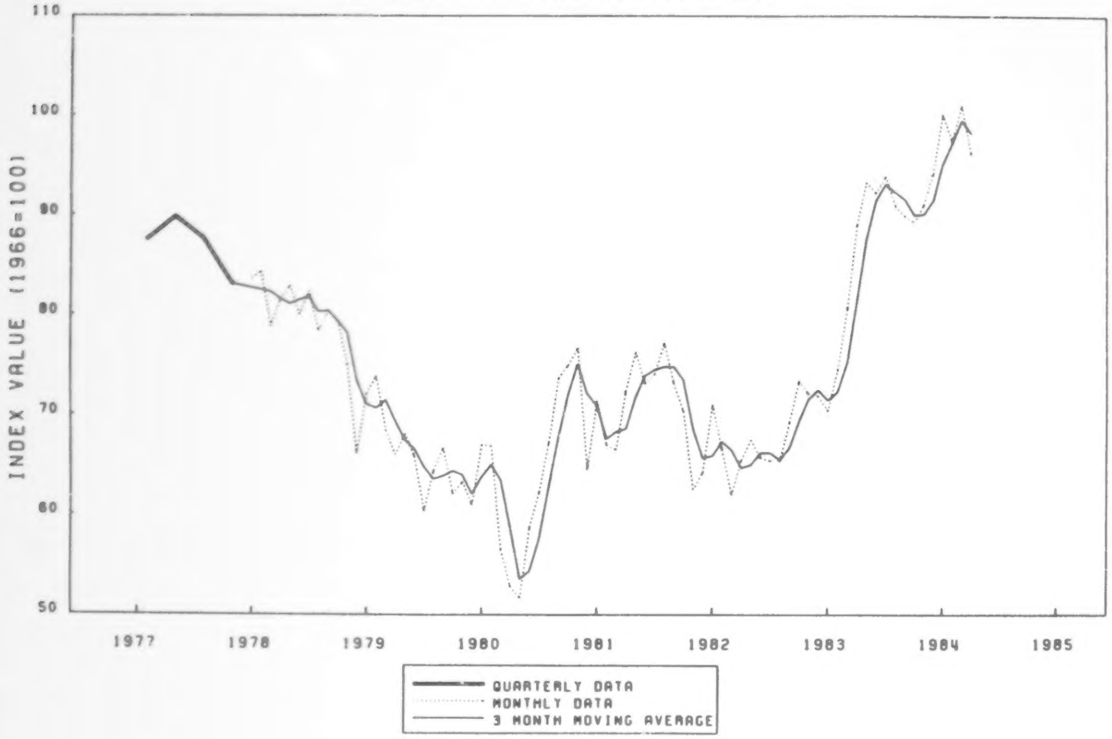
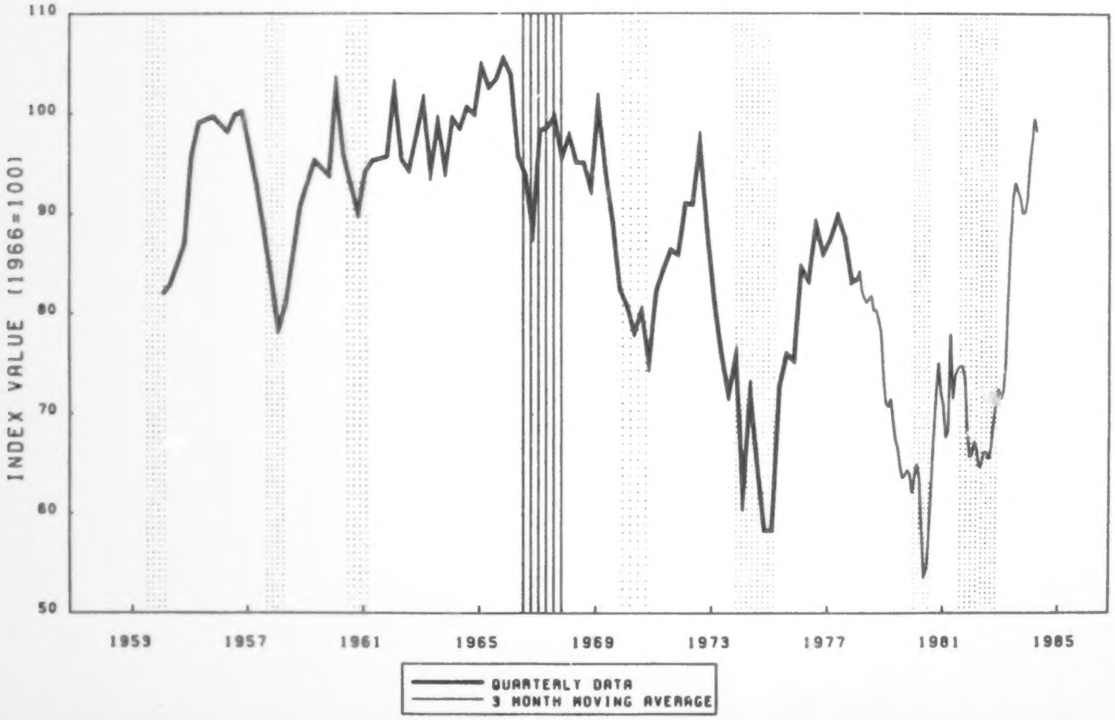
| 5 | SELECTED REASONS FOR OPINIONS ABOUT PERSONAL FINANCIAL SITUATION |
| 6 | EXPECTED CHANGE IN FINANCIAL SITUATION |
| 7 | TREND IN PERSONAL FINANCIAL SITUATION |
| 8 | EXPECTED FAMILY INCOME CHANGE DURING THE NEXT 12 MONTHS |
| 9 | PAST CHANGE IN REAL FAMILY INCOME |
| 10 | EXPECTED CHANGE IN REAL FAMILY INCOME |
| 11 | TREND IN FAMILY INCOME AND PRICE COMPARISON |
| 12 | NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS |
| 13 | SELECTED ITEMS OF NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS |
| 14 | CURRENT BUSINESS CONDITIONS COMPARED TO A YEAR AGO |
| 15 | EXPECTED CHANGE IN BUSINESS CONDITIONS IN A YEAR |
| 16 | REASONS FOR OPINIONS ABOUT CHANGES IN BUSINESS CONDITIONS IN A YEAR |
| 17 | TREND IN PAST AND EXPECTED CHANGES IN BUSINESS CONDITIONS |
| 18 | BUSINESS CONDITIONS EXPECTED DURING THE NEXT 12 MONTHS |
| 19 | BUSINESS CONDITIONS EXPECTED DURING THE NEXT FIVE YEARS |
| 20 | EXPECTED CHANGE IN UNEMPLOYMENT |
| 21 | EXPECTED CHANGE IN INTEREST RATES |
| 22 | CHANGE IN PRICES DURING THE LAST 12 MONTHS |
| 23 | EXPECTED CHANGE IN PRICES DURING THE NEXT 12 MONTHS |
| 24 | UNEMPLOYMENT OR INFLATION MORE SERIOUS ECONOMIC HARDSHIP |
| 25 | OPINIONS ABOUT THE GOVERNMENT'S ECONOMIC POLICY |
| 26 | BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS |
| 27 | SELECTED REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS |
| 28 | BUYING CONDITIONS FOR HOUSES |
| 29 | SELECTED REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR HOUSES |
| 30 | BUYING CONDITIONS FOR CARS |
| 31 | SELECTED REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR CARS |
| 32 | PLANS TO PURCHASE AN AUTOMOBILE DURING THE NEXT 12 MONTHS |
| 33 | CURRENT VEHICLE PURCHASE INTENTIONS |
| 34 | FUTURE VEHICLE PURCHASE INTENTIONS |

## CHART 1 - RECENT CHANGES
## THE INDEX OF CONSUMER SENTIMENT



## CHART 1 - HISTORICAL SERIES
## THE INDEX OF CONSUMER SENTIMENT



## TABLE 1

## THE INDEX OF CONSUMER SENTIMENT

| DATE OF SURVEY | | All families | Families with incomes over $20,000 | Families with incomes over $25,000 |
|---|---|---|---|---|
| April | 1981 | 72.4 | 77.1 | 78.0 |
| May | 1981 | 76.3 | 80.8 | 85.0 |
| June | 1981 | 73.1 | 81.2 | 82.9 |
| July | 1981 | 74.1 | 80.8 | 82.1 |
| August | 1981 | 77.2 | 82.7 | 85.0 |
| September | 1981 | 73.1 | 75.2 | 73.3 |
| October | 1981 | 70.3 | 74.5 | 77.9 |
| November | 1981 | 62.5 | 67.2 | 66.3 |
| December | 1981 | 64.3 | 71.0 | 71.1 |
| January | 1982 | 71.0 | 77.9 | 77.8 |
| February | 1982 | 66.5 | 71.5 | 72.8 |
| March | 1982 | 62.0 | 67.0 | 67.9 |
| April | 1982 | 65.5 | 71.5 | 73.2 |
| May | 1982 | 67.5 | 72.7 | 74.8 |
| June | 1982 | 65.7 | 71.4 | 72.9 |
| July | 1982 | 65.4 | 68.9 | 69.2 |
| August | 1982 | 65.4 | 71.0 | 73.6 |
| September | 1982 | 69.3 | 78.4 | 81.1 |
| October | 1982 | 73.4 | 77.5 | 80.9 |
| November | 1982 | 72.1 | 79.3 | 81.1 |
| December | 1982 | 71.9 | 78.0 | 80.5 |
| January | 1983 | 70.4 | 78.2 | 78.8 |
| February | 1983 | 74.6 | 79.9 | 81.3 |
| March | 1983 | 80.8 | 88.4 | 88.9 |
| April | 1983 | 89.1 | 97.1 | 99.0 |
| May | 1983 | 93.3 | 99.6 | 101.0 |
| June | 1983 | 92.2 | 101.2 | 102.5 |
| July | 1983 | 93.9 | 104.4 | 106.5 |
| August | 1983 | 90.9 | 101.2 | 103.5 |
| September | 1983 | 89.9 | 99.0 | 102.3 |
| October | 1983 | 89.3 | 99.5 | 101.9 |
| November | 1983 | 91.1 | 97.2 | 98.8 |
| December | 1983 | 94.2 | 101.7 | 104.5 |
| January | 1984 | 100.1 | 112.0 | 114.2 |
| February | 1984 | 97.4 | 109.6 | 111.2 |
| March | 1984 | 101.0 | 110.9 | 114.2 |
| April | 1984 | 96.1 | 103.9 | 105.5 |

CHART 2A - HISTORICAL SERIES
INDEX OF CONSUMER SENTIMENT WITHIN REGION SUBGROUPS

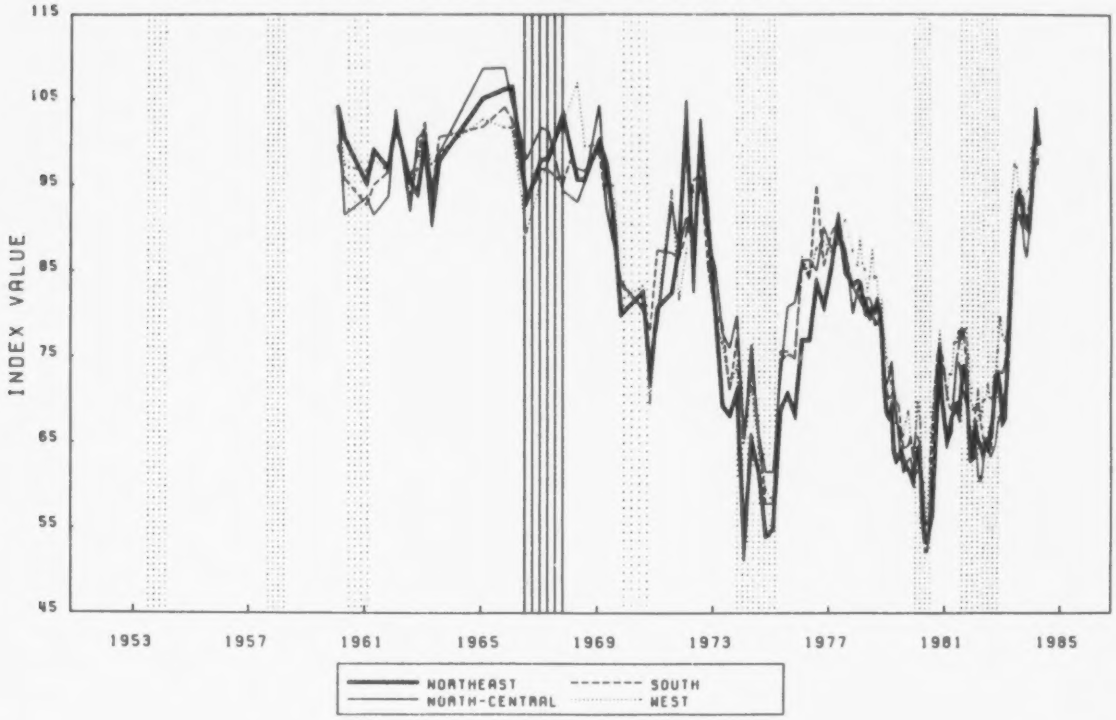
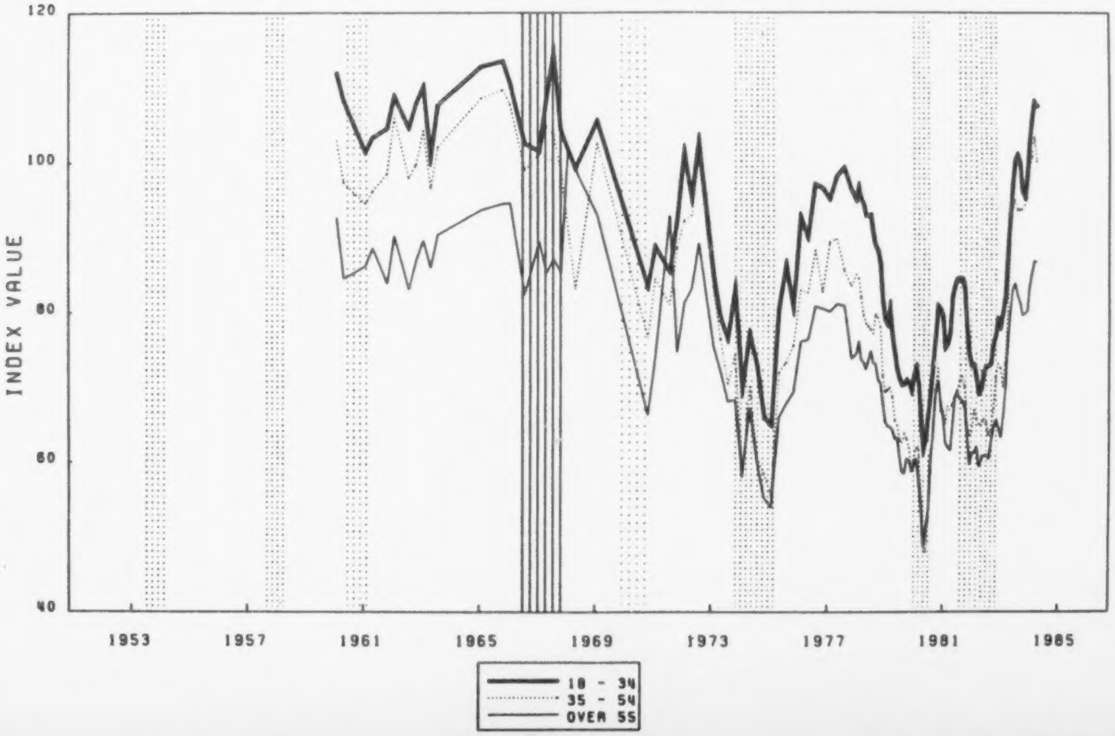


CHART 2B - HISTORICAL SERIES
INDEX OF CONSUMER SENTIMENT WITHIN AGE SUBGROUPS



## TABLE 2

## INDEX OF CONSUMER SENTIMENT WITHIN REGION AND AGE SUBGROUPS

| DATE OF SURVEY | | CENSUS REGION | | | | AGE OF RESPONDENT | | |
|---|---|---|---|---|---|---|---|---|
| | | North East | North Central | South | West | 18-34 | 35-54 | 55+ |
| April | 1981 | 72.6 | 72.7 | 71.0 | 74.2 | 81.5 | 68.3 | 66.9 |
| May | 1981 | 66.8 | 76.6 | 77.5 | 82.2 | 87.7 | 71.2 | 70.0 |
| June | 1981 | 68.5 | 74.0 | 75.2 | 73.8 | 81.7 | 67.0 | 69.6 |
| July | 1981 | 68.9 | 72.2 | 76.5 | 78.1 | 84.2 | 70.6 | 67.6 |
| August | 1981 | 77.0 | 70.1 | 83.2 | 79.2 | 87.8 | 75.0 | 67.9 |
| September | 1981 | 75.1 | 69.9 | 72.4 | 76.6 | 81.4 | 68.8 | 69.2 |
| October | 1981 | 67.9 | 68.2 | 68.9 | 79.0 | 80.7 | 65.9 | 64.8 |
| November | 1981 | 55.8 | 64.7 | 61.1 | 68.8 | 71.3 | 59.6 | 57.7 |
| December | 1981 | 65.0 | 65.3 | 64.4 | 61.6 | 70.9 | 65.3 | 56.7 |
| January | 1982 | 68.8 | 67.3 | 72.0 | 76.2 | 76.6 | 67.4 | 68.5 |
| February | 1982 | 65.9 | 60.6 | 71.8 | 68.8 | 71.5 | 68.3 | 59.0 |
| March | 1982 | 60.5 | 55.8 | 64.7 | 68.2 | 65.5 | 61.4 | 58.8 |
| April | 1982 | 67.2 | 64.6 | 65.0 | 65.8 | 70.6 | 65.5 | 60.4 |
| May | 1982 | 62.4 | 66.5 | 66.6 | 75.7 | 72.7 | 67.6 | 62.0 |
| June | 1982 | 65.4 | 65.0 | 64.9 | 68.6 | 72.4 | 64.4 | 60.3 |
| July | 1982 | 65.1 | 64.0 | 63.5 | 71.1 | 73.4 | 63.3 | 60.6 |
| August | 1982 | 68.1 | 60.6 | 64.0 | 70.6 | 72.6 | 62.9 | 60.2 |
| September | 1982 | 70.3 | 67.2 | 71.1 | 68.8 | 73.0 | 66.7 | 68.0 |
| October | 1982 | 77.8 | 66.2 | 74.1 | 79.3 | 81.2 | 72.1 | 65.5 |
| November | 1982 | 70.6 | 67.9 | 73.2 | 79.3 | 76.6 | 75.7 | 63.8 |
| December | 1982 | 66.1 | 70.0 | 72.5 | 80.4 | 78.9 | 71.7 | 64.2 |
| January | 1983 | 64.9 | 70.5 | 73.6 | 72.8 | 78.8 | 70.0 | 62.0 |
| February | 1983 | 72.1 | 72.3 | 75.8 | 77.2 | 82.1 | 68.3 | 72.4 |
| March | 1983 | 82.9 | 73.7 | 82.7 | 84.4 | 84.9 | 81.5 | 75.5 |
| April | 1983 | 89.1 | 88.0 | 87.2 | 95.6 | 95.8 | 90.5 | 80.5 |
| May | 1983 | 88.3 | 90.7 | 93.3 | 102.7 | 97.2 | 97.1 | 84.9 |
| June | 1983 | 95.1 | 88.7 | 92.5 | 94.1 | 97.8 | 94.4 | 83.9 |
| July | 1983 | 98.3 | 93.8 | 89.9 | 94.3 | 106.0 | 93.6 | 83.0 |
| August | 1983 | 89.6 | 92.0 | 91.3 | 89.6 | 99.2 | 92.9 | 80.0 |
| September | 1983 | 92.6 | 87.8 | 89.3 | 90.8 | 94.8 | 94.5 | 80.9 |
| October | 1983 | 89.9 | 83.7 | 91.5 | 93.5 | 94.2 | 93.8 | 77.8 |
| November | 1983 | 87.7 | 88.3 | 91.5 | 98.5 | 97.2 | 94.6 | 80.7 |
| December | 1983 | 91.4 | 96.2 | 95.2 | 92.2 | 102.3 | 97.5 | 81.8 |
| January | 1984 | 100.7 | 96.8 | 97.5 | 107.5 | 107.9 | 106.0 | 87.4 |
| February | 1984 | 102.3 | 98.4 | 93.5 | 97.1 | 106.2 | 98.9 | 86.5 |
| March | 1984 | 104.8 | 98.5 | 102.1 | 97.5 | 109.9 | 105.2 | 86.6 |
| April | 1984 | 92.5 | 95.3 | 98.2 | 99.3 | 106.5 | 95.9 | 87.0 |

CHART 3 - RECENT CHANGES
CURRENT AND EXPECTED COMPONENTS

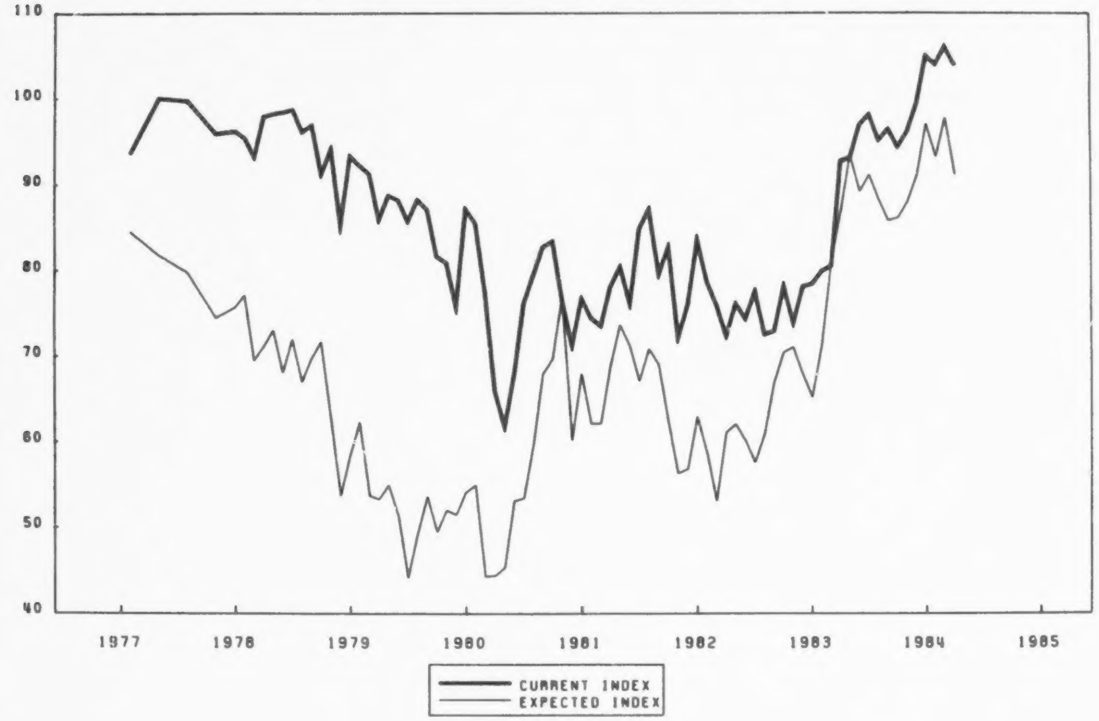
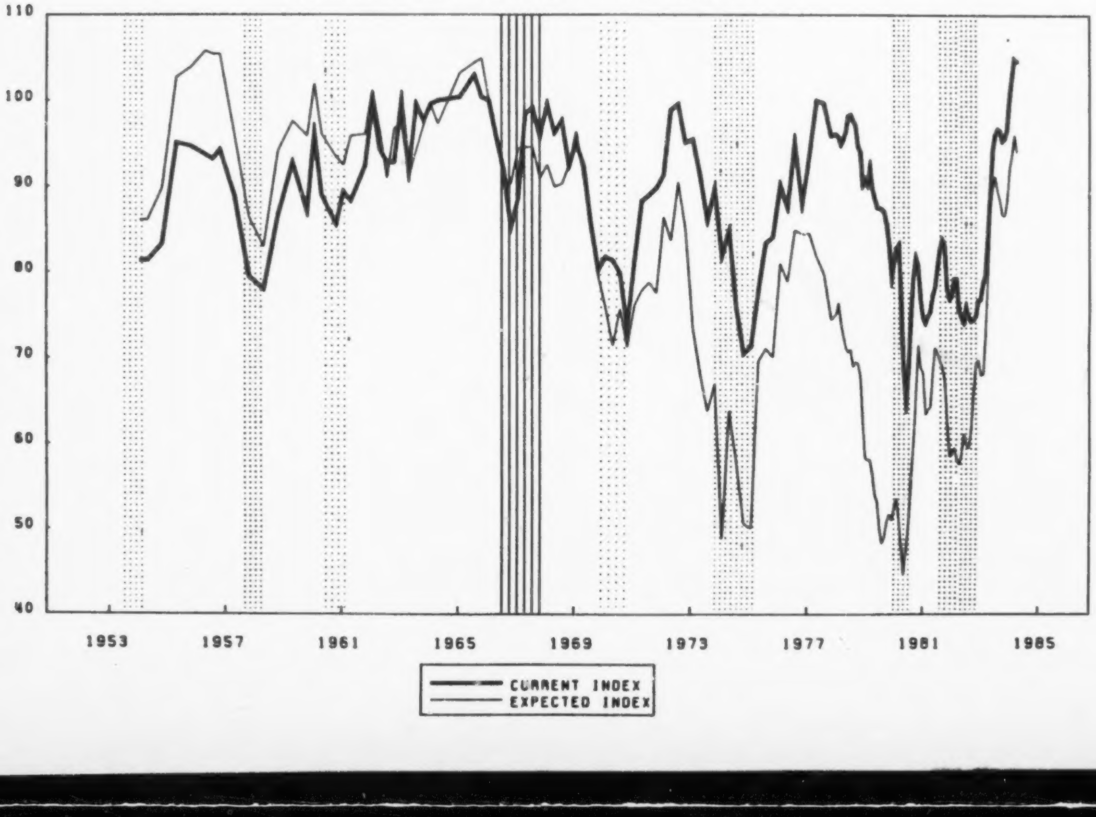


CHART 3 - HISTORICAL SERIES
CURRENT AND EXPECTED COMPONENTS



## TABLE 3

## COMPONENTS OF THE INDEX OF CONSUMER SENTIMENT

| | INDEX COMPONENTS + | | | | | | |
|---|---|---|---|---|---|---|---|
| | Personal finances | | Business conditions | | | | |
| | Current | Expected | 12 months | 5 years | Buying conds. | Current Index | Expected Index |
| DATE OF SURVEY | (1) | (2) | (3) | (4) | (5) | (1,5) | (2,3,4) |
| April 1981 | 79 | 111 | 83 | 78 | 121 | 78.1 | 68.8 |
| May 1981 | 95 | 118 | 92 | 81 | 111 | 80.4 | 73.6 |
| June 1981 | 89 | 113 | 91 | 78 | 104 | 76.1 | 71.2 |
| July 1981 | 99 | 114 | 81 | 70 | 118 | 84.9 | 67.1 |
| August 1981 | 100 | 117 | 92 | 72 | 123 | 87.1 | 70.8 |
| September 1981 | 94 | 113 | 80 | 80 | 109 | 79.5 | 69.0 |
| October 1981 | 95 | 110 | 68 | 67 | 117 | 82.7 | 62.3 |
| November 1981 | 85 | 110 | 54 | 56 | 99 | 72.1 | 56.3 |
| December 1981 | 94 | 110 | 54 | 61 | 101 | 75.9 | 56.8 |
| January 1982 | 92 | 115 | 66 | 70 | 124 | 83.5 | 62.9 |
| February 1982 | 91 | 112 | 56 | 65 | 111 | 78.6 | 58.7 |
| March 1982 | 89 | 106 | 44 | 60 | 106 | 75.9 | 53.1 |
| April 1982 | 87 | 111 | 62 | 70 | 99 | 72.3 | 61.1 |
| May 1982 | 94 | 113 | 62 | 72 | 102 | 76.1 | 62.0 |
| June 1982 | 92 | 116 | 58 | 65 | 99 | 74.3 | 60.1 |
| July 1982 | 90 | 113 | 53 | 63 | 110 | 77.5 | 57.6 |
| August 1982 | 89 | 110 | 64 | 69 | 97 | 72.5 | 60.9 |
| September 1982 | 89 | 116 | 76 | 74 | 98 | 72.9 | 66.9 |
| October 1982 | 95 | 119 | 79 | 83 | 106 | 78.1 | 70.4 |
| November 1982 | 85 | 121 | 77 | 86 | 105 | 73.8 | 71.0 |
| December 1982 | 90 | 117 | 74 | 80 | 111 | 78.1 | 67.9 |
| January 1983 | 91 | 115 | 76 | 69 | 111 | 78.4 | 65.2 |
| February 1983 | 89 | 117 | 87 | 81 | 117 | 79.9 | 71.2 |
| March 1983 | 92 | 126 | 113 | 85 | 115 | 80.5 | 80.9 |
| April 1983 | 108 | 131 | 120 | 99 | 131 | 92.7 | 86.9 |
| May 1983 | 101 | 137 | 139 | 100 | 139 | 93.1 | 93.4 |
| June 1983 | 110 | 128 | 134 | 97 | 141 | 96.9 | 89.2 |
| July 1983 | 111 | 126 | 136 | 104 | 143 | 98.1 | 91.1 |
| August 1983 | 106 | 124 | 130 | 100 | 140 | 95.1 | 88.2 |
| September 1983 | 109 | 125 | 125 | 95 | 140 | 96.4 | 85.8 |
| October 1983 | 104 | 124 | 124 | 98 | 140 | 94.3 | 86.1 |
| November 1983 | 111 | 127 | 129 | 98 | 138 | 96.1 | 87.9 |
| December 1983 | 123 | 125 | 140 | 102 | 134 | 99.3 | 91.0 |
| January 1984 | 117 | 129 | 154 | 108 | 155 | 104.9 | 97.0 |
| February 1984 | 119 | 130 | 139 | 106 | 151 | 103.9 | 93.2 |
| March 1984 | 122 | 135 | 146 | 113 | 153 | 106.0 | 97.7 |
| April 1984 | 117 | 124 | 136 | 106 | 153 | 103.9 | 91.1 |

(1) See Table 4.
(2) See Table 6.
(3) See Table 18.
(4) See Table 19.
(5) See Table 26.

+ : Percent saying "GOOD TIMES" (or "BETTER"), minus percent saying "BAD TIMES" (or "WORSE"), plus 100.

CHART 4 - RECENT CHANGES
CURRENT FINANCIAL SITUATION COMPARED WITH A YEAR AGO

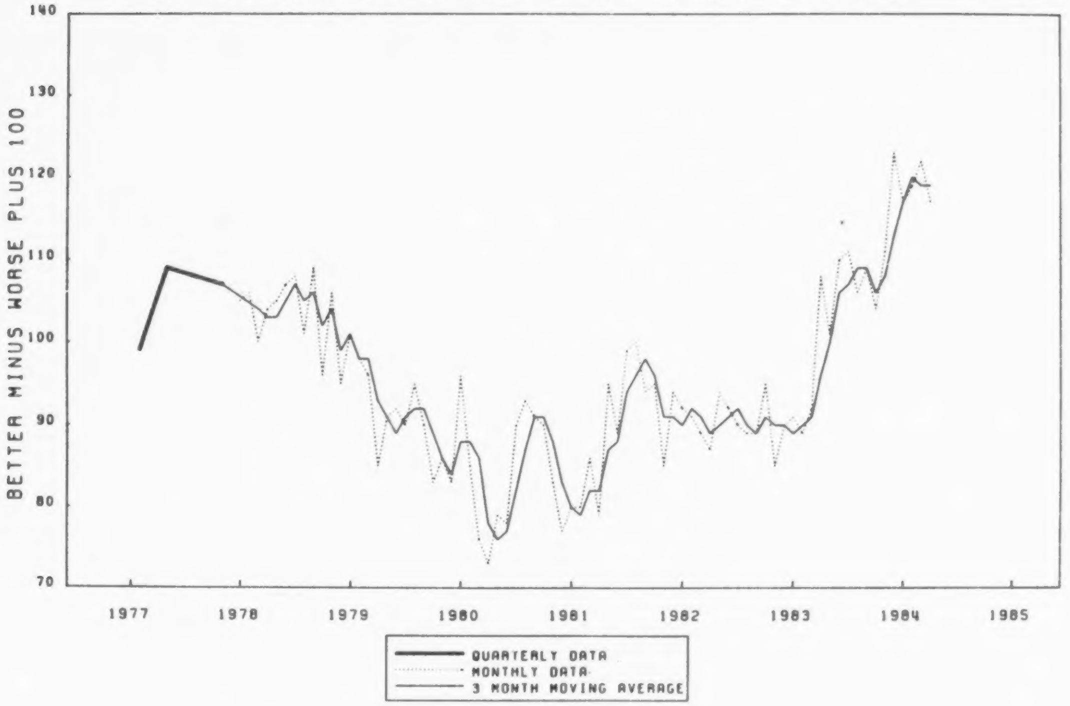
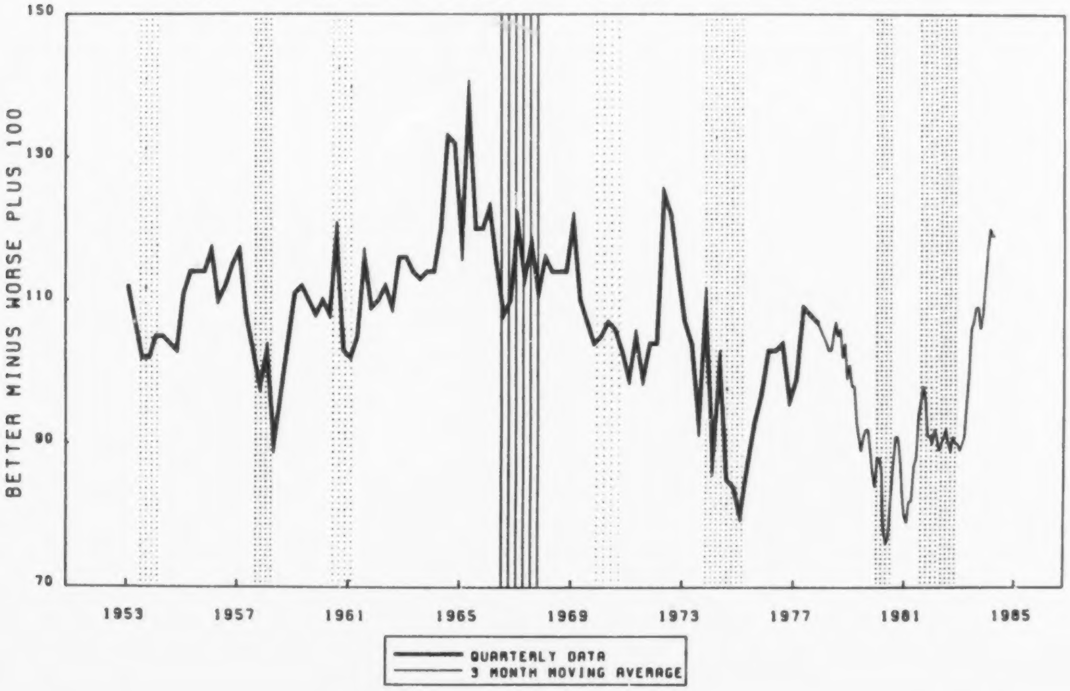


CHART 4 - HISTORICAL SERIES
CURRENT FINANCIAL SITUATION COMPARED WITH A YEAR AGO



## TABLE 4

## CURRENT FINANCIAL SITUATION COMPARED TO A YEAR AGO

| | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| BETTER OFF | 39% | 34% | 38% | 40% | 36% | 38% | 36% | 38% | 45% | 42% | 44% | 48% | 43% |
| SAME | 30 | 33 | 33 | 31 | 34 | 33 | 32 | 35 | 33 | 32 | 31 | 26 | 30 |
| WORSE OFF | 31 | 33 | 28 | 29 | 30 | 29 | 32 | 27 | 22 | 25 | 25 | 26 | 26 |
| DK,NA | * | * | 1 | * | * | * | * | * | * | 1 | * | * | 1 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 |

The question was: "We are interested in how people are getting along financially these days. Would you say that you (and your family living there) are better off or worse off financially than you were a year ago?"

* : Less than half of one percent.

CHART 5 - RECENT CHANGES
REASONS FOR OPINIONS ABOUT PERSONAL FINANCIAL SITUATION

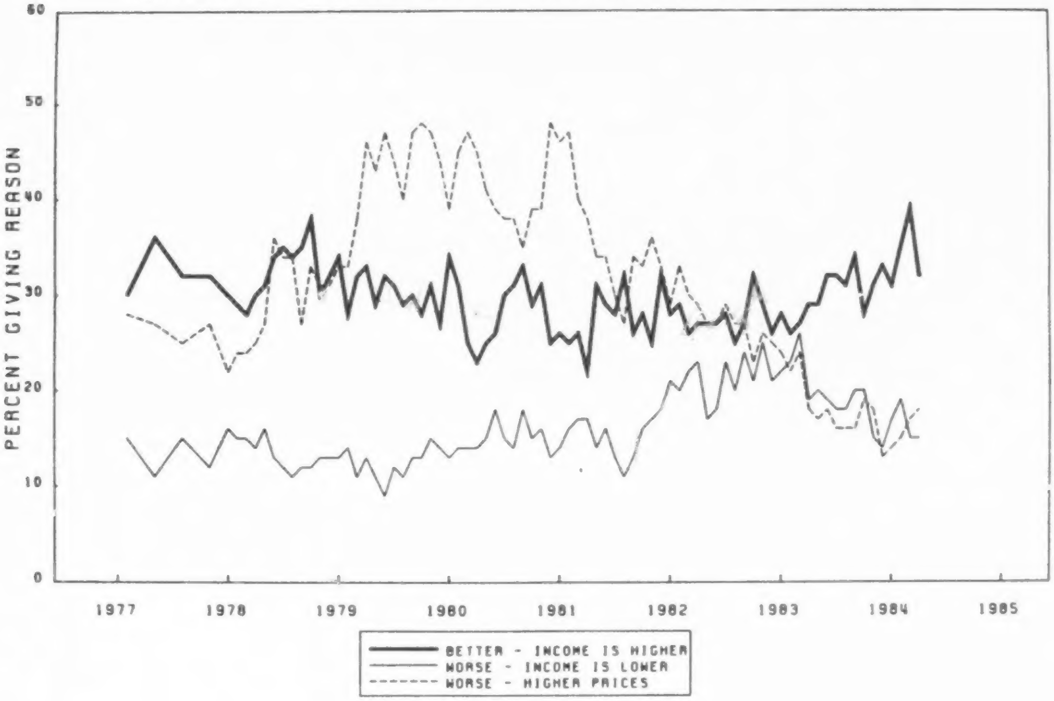
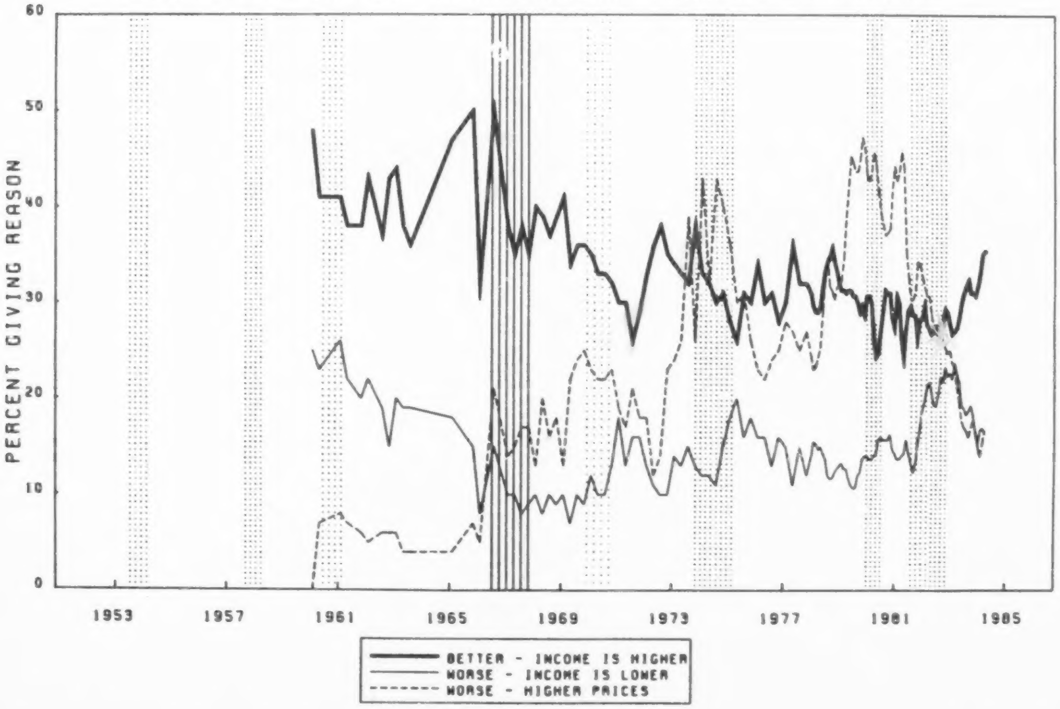


CHART 5 - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT PERSONAL FINANCIAL SITUATION



## TABLE 5

## SELECTED REASONS FOR OPINIONS ABOUT PERSONAL FINANCIAL SITUATION +

| | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| BETTER OFF THAN YEAR AGO: | | | | | | | | | | | | | |
| Income is higher | 29% | 29% | 32% | 32% | 31% | 34% | 28% | 31% | 33% | 31% | 35% | 39% | 32% |
| WORSE OFF THAN YEAR AGO: | | | | | | | | | | | | | |
| Income is lower | 19 | 20 | 19 | 18 | 18 | 20 | 20 | 15 | 14 | 17 | 19 | 15 | 15 |
| Higher prices | 18 | 17 | 18 | 16 | 16 | 16 | 19 | 18 | 13 | 14 | 15 | 17 | 18 |

Responses to the query: "Why do you say so?" following the question on Table 4.

+ : May add to more than 100% due to multiple mentions.

CHART 6 - RECENT CHANGES
EXPECTED CHANGE IN FINANCIAL SITUATION

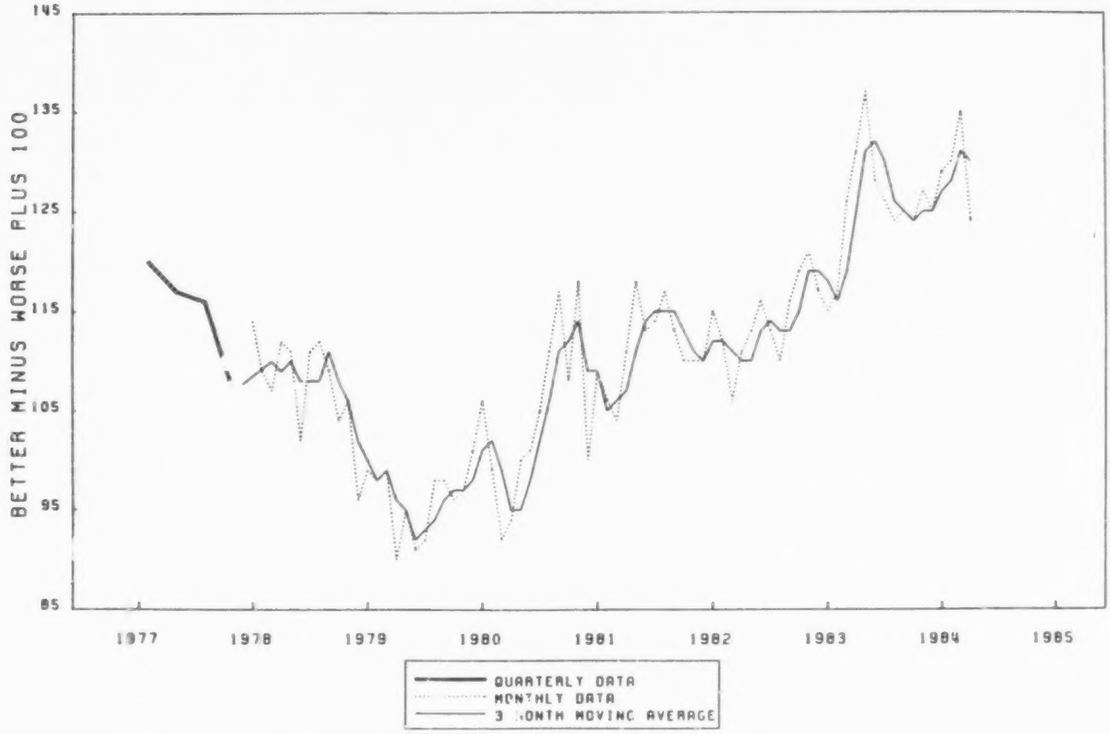
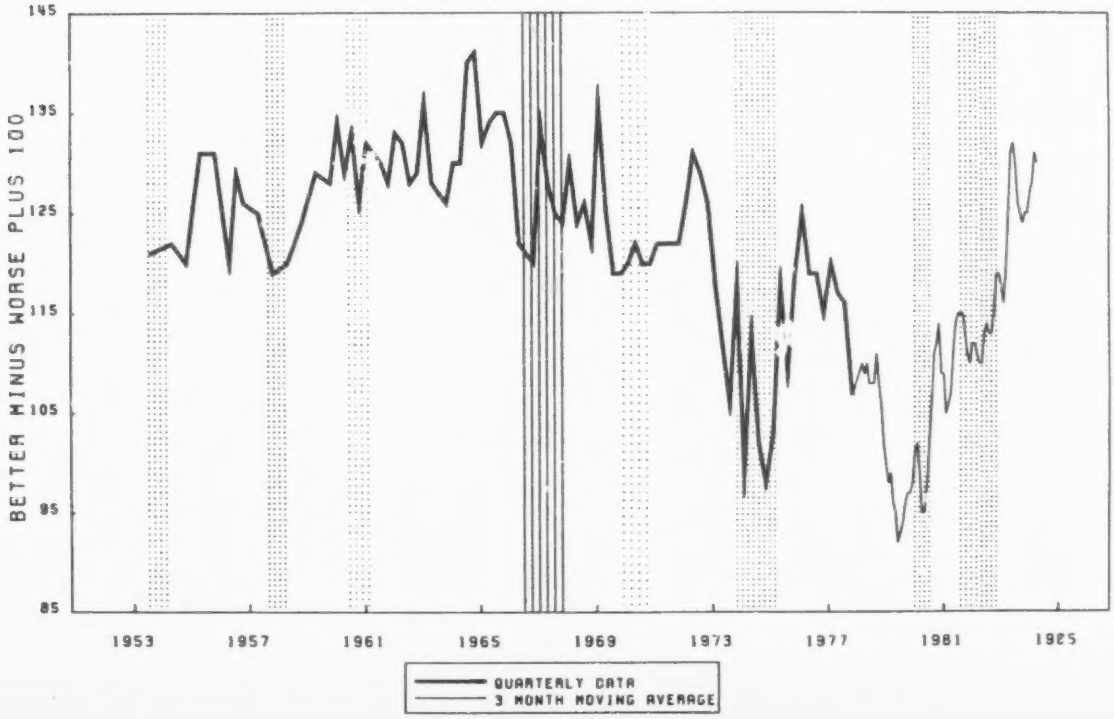


CHART 6 - HISTORICAL SERIES
EXPECTED CHANGE IN FINANCIAL SITUATION



## TABLE 6

## EXPECTED CHANGE IN FINANCIAL SITUATION

| | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| BETTER OFF | 40% | 43% | 37% | 35% | 37% | 37% | 37% | 38% | 35% | 38% | 41% | 44% | 37% |
| SAME | 47 | 47 | 52 | 52 | 46 | 48 | 46 | 47 | 51 | 50 | 44 | 44 | 48 |
| WORSE OFF | 9 | 6 | 9 | 9 | 13 | 12 | 13 | 11 | 10 | 9 | 11 | 9 | 13 |
| DK,NA | 4 | 4 | 2 | 4 | 4 | 3 | 4 | 4 | 4 | 3 | 4 | 3 | 2 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 |

The question was: "Now looking ahead--do you think that a year from now you (and your family living there) will be better off financially, or worse off, or just about the same as now?"

CHART 7 - RECENT CHANGES
TREND IN PERSONAL FINANCIAL SITUATION

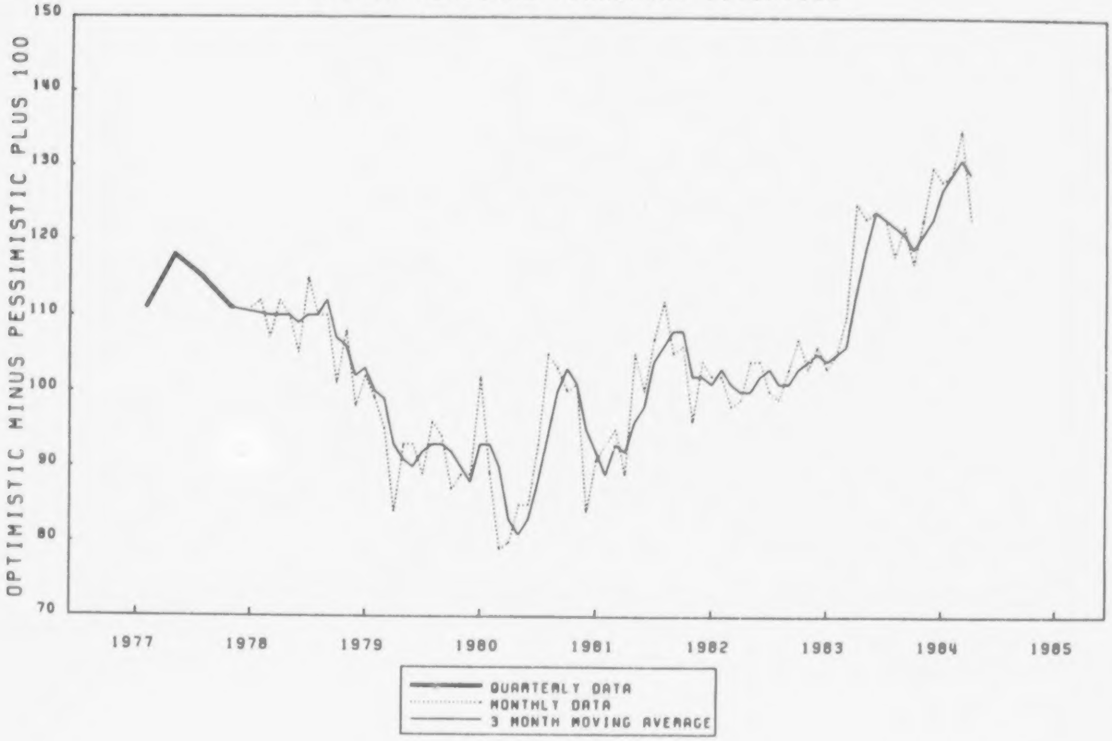
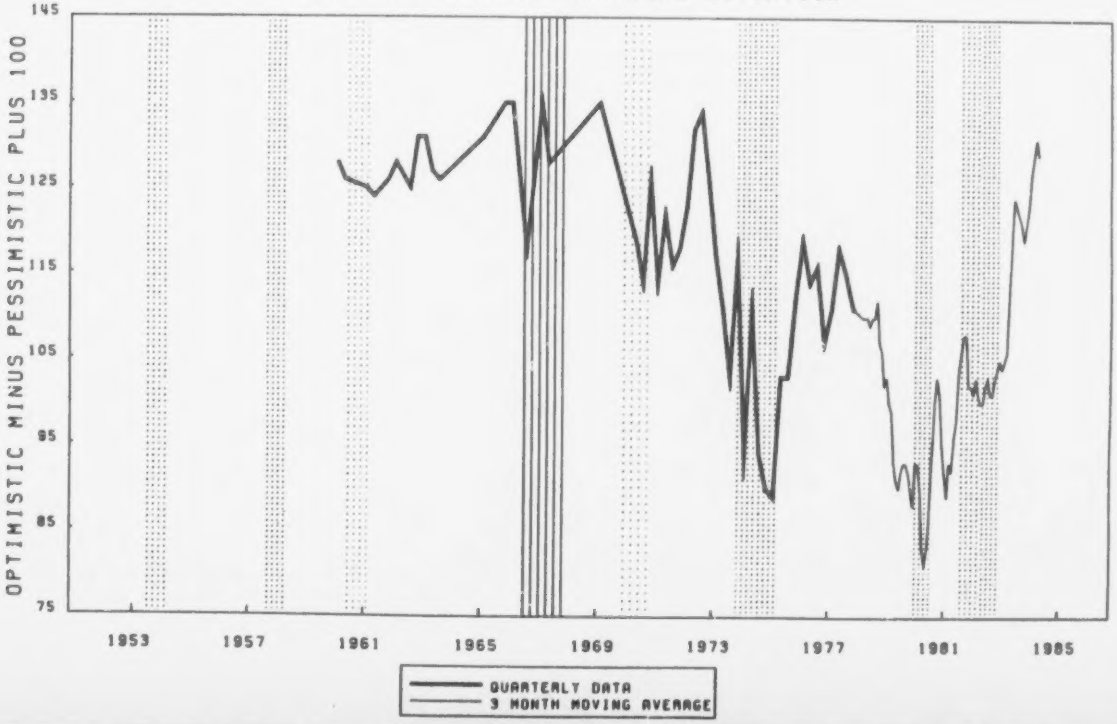


CHART 7 - HISTORICAL SERIES
TREND IN PERSONAL FINANCIAL SITUATION



## TABLE 7

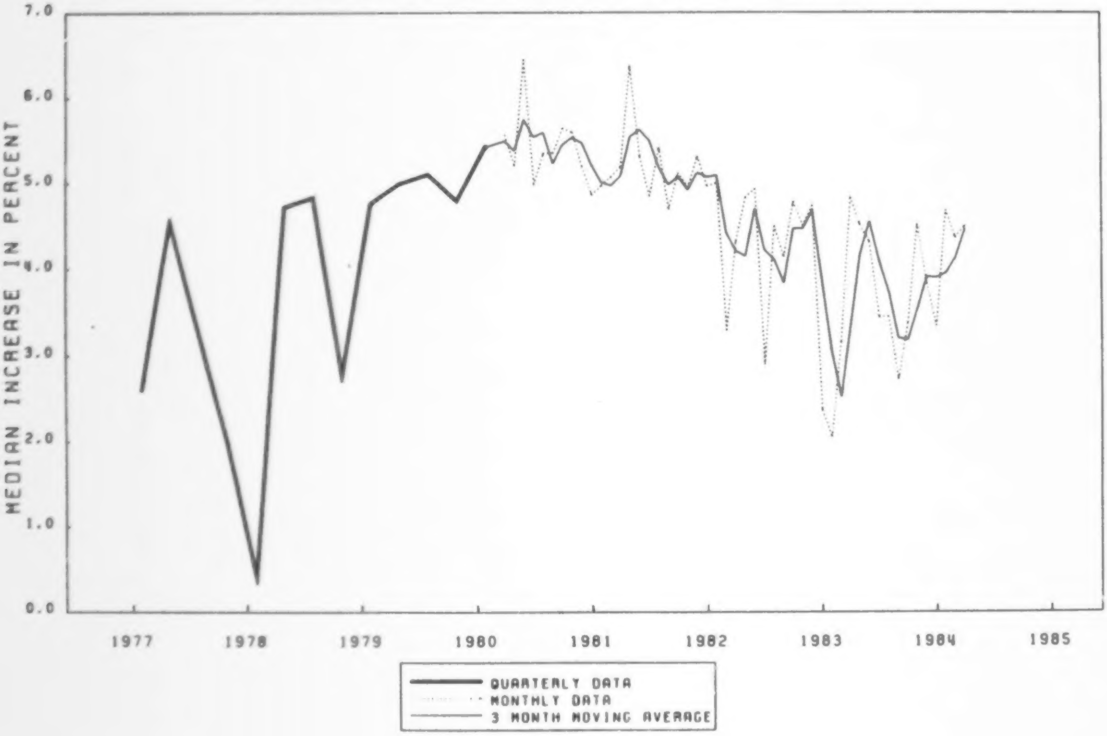
## TREND IN PERSONAL FINANCIAL SITUATION

| | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| PERSONAL FINANCIAL PROGRESS: | | | | | | | | | | | | | |
| Continuous increase (a) | 19% | 18% | 19% | 20% | 19% | 18% | 19% | 20% | 22% | 22% | 24% | 27% | 23% |
| Intermittent increase (b) | 26 | 25 | 26 | 24 | 23 | 27 | 23 | 23 | 26 | 26 | 25 | 27 | 22 |
| Remain unchanged (c) | 18 | 18 | 20 | 21 | 19 | 18 | 18 | 21 | 22 | 18 | 17 | 14 | 19 |
| Intermittent decline (d) | 15 | 18 | 17 | 16 | 18 | 17 | 18 | 15 | 13 | 16 | 16 | 14 | 16 |
| Continuous decline (e) | 5 | 2 | 4 | 5 | 6 | 6 | 7 | 5 | 5 | 4 | 4 | 5 | 6 |
| Mixed change (f) | 13 | 15 | 11 | 10 | 10 | 11 | 11 | 11 | 8 | 10 | 10 | 10 | 11 |
| DK,NA | 4 | 4 | 3 | 4 | 5 | 3 | 4 | 5 | 4 | 4 | 4 | 3 | 3 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 |

Combination of the responses to the questions on Tables 4 and 6.

Key: (a) Better off financially than a year ago/Better off a year from now
(b) Better/Same or Same/Better
(c) Same/Same
(d) Worse/Same or Same/Worse
(e) Worse/Worse
(f) Worse/Better or Better/Worse

CHART 8 - RECENT CHANGES
MEDIAN EXPECTED CHANGE IN FAMILY INCOME



## TABLE 8

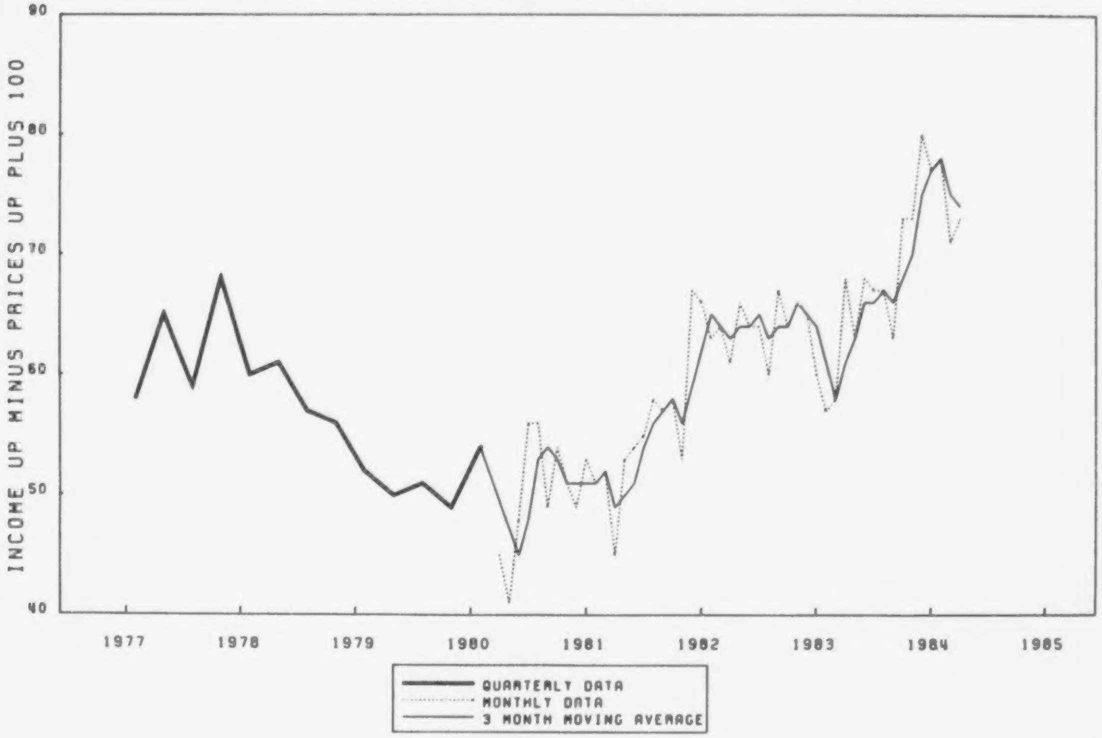
## EXPECTED FAMILY INCOME CHANGE DURING THE NEXT 12 MONTHS

| | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| EXPECT INCREASE: | | | | | | | | | | | | | |
| 1-4% | 9% | 8% | 8% | 9% | 13% | 11% | 11% | 12% | 12% | 15% | 13% | 14% | 11% |
| 5% | 12 | 9 | 11 | 12 | 10 | 12 | 10 | 9 | 10 | 11 | 13 | 9 | 11 |
| 6-9% | 12 | 8 | 11 | 10 | 10 | 5 | 10 | 8 | 10 | 8 | 10 | 8 | 8 |
| 10-24% | 19 | 20 | 16 | 15 | 15 | 14 | 15 | 19 | 16 | 16 | 19 | 18 | 18 |
| 25% or more | 7 | 9 | 8 | 7 | 8 | 9 | 7 | 8 | 7 | 7 | 6 | 11 | 8 |
| DK how much up | 4 | 5 | 4 | 4 | 4 | 6 | 5 | 7 | 5 | 4 | 4 | 6 | 5 |
| EXPECT SAME | 25 | 26 | 28 | 28 | 23 | 30 | 26 | 23 | 26 | 27 | 22 | 26 | 22 |
| EXPECT DOWN | 10 | 14 | 13 | 13 | 14 | 12 | 13 | 11 | 12 | 10 | 11 | 7 | 15 |
| DK,NA | 2 | 1 | 1 | 2 | 3 | 1 | 3 | 3 | 2 | 2 | 2 | 1 | 2 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 |

The questions were: "During the next 12 months, do you expect your (family) income to be higher or lower than during the past year?" and "By about what percent do you expect your (family) income to increase during the next 12 months?"

## CHART 9 - RECENT CHANGES

## INCOME OR PRICES UP MORE DURING THE LAST YEAR



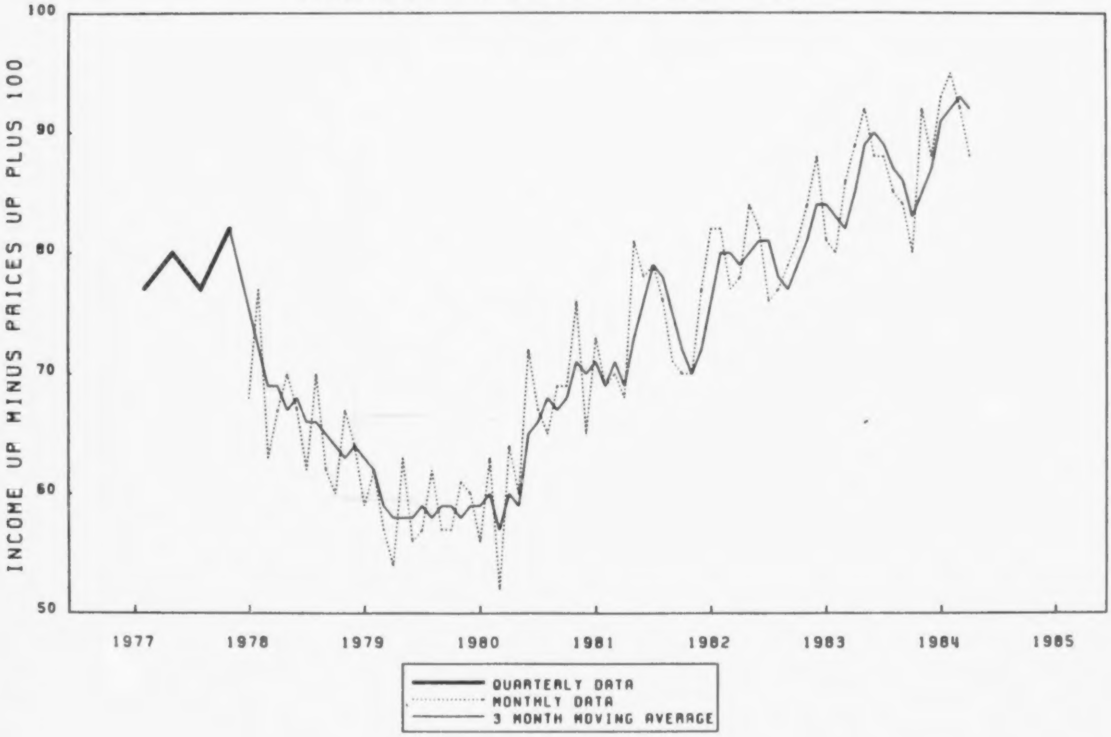
## TABLE 9

## PAST CHANGE IN REAL FAMILY INCOME

| | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| INCOME UP MORE | 17% | 16% | 17% | 18% | 20% | 15% | 20% | 22% | 23% | 23% | 22% | 20% | 20% |
| INCOME UP SAME | 32 | 30 | 32 | 29 | 26 | 31 | 32 | 28 | 32 | 29 | 32 | 30 | 32 |
| PRICES UP MORE | 49 | 53 | 49 | 51 | 53 | 52 | 47 | 49 | 43 | 46 | 44 | 49 | 47 |
| DK,NA | 2 | 1 | 2 | 2 | 1 | 2 | 1 | 1 | 2 | 2 | 2 | 1 | 1 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 |

The question was: "During the last year or two, would you say that your (family) income went up more than prices, went up about the same as prices, or went up less than prices?"

CHART 10 - RECENT CHANGES
INCOME OR PRICES UP MORE NEXT YEAR



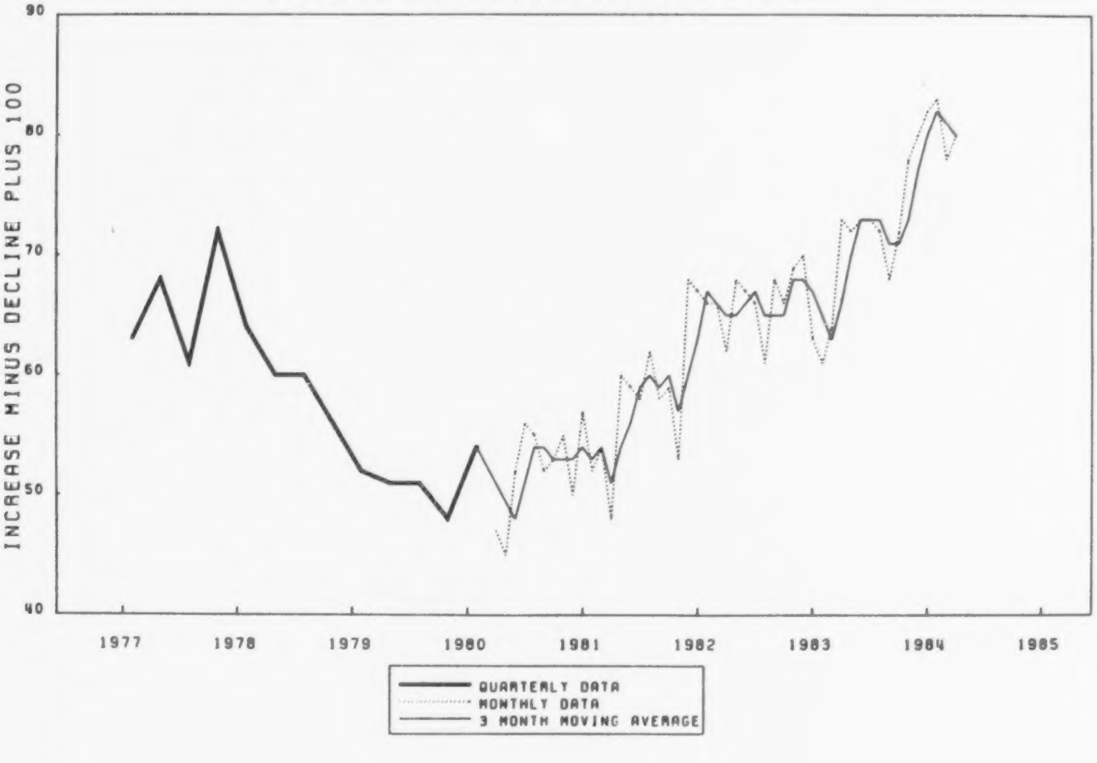
## TABLE 10

## EXPECTED CHANGE IN REAL FAMILY INCOME

| | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| INCOME UP MORE | 19% | 24% | 20% | 22% | 19% | 19% | 18% | 23% | 20% | 23% | 24% | 23% | 21% |
| INCOME UP SAME | 46 | 42 | 46 | 41 | 43 | 44 | 41 | 42 | 45 | 45 | 45 | 44 | 43 |
| PRICES UP MORE | 30 | 32 | 32 | 34 | 34 | 35 | 38 | 31 | 32 | 30 | 29 | 31 | 33 |
| DK,NA | 5 | 2 | 2 | 3 | 4 | 2 | 3 | 4 | 3 | 2 | 2 | 2 | 3 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 |

The question was: "How about the next year or two--do you expect that your (family) income will go up more than prices will go up, about the same, or less than prices will go up?"

## CHART 11 - RECENT CHANGES
## TREND IN INCOME AND PRICE COMPARISON



## TABLE 11

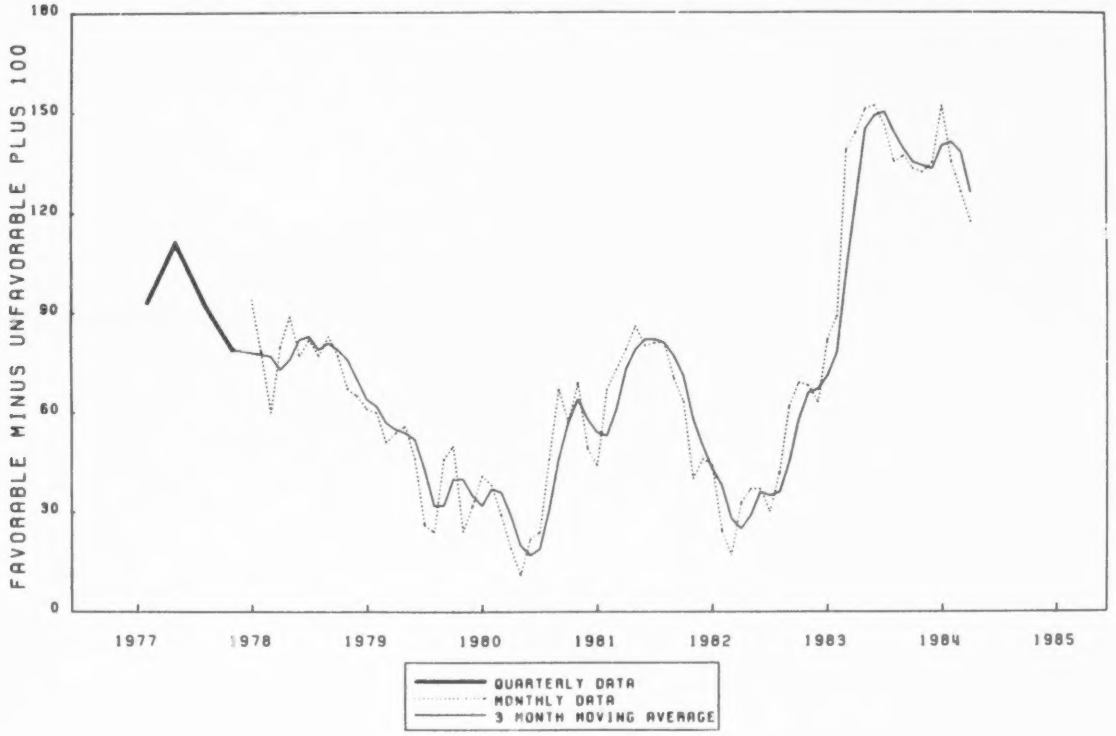
## TREND IN FAMILY INCOME AND PRICES COMPARISONS

| | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| REAL INCOME PROGRESS: | | | | | | | | | | | | | |
| Continuous increase (a) | 9% | 10% | 9% | 10% | 10% | 8% | 11% | 13% | 12% | 12% | 13% | 12% | 10% |
| Intermittent increase (b) | 11 | 10 | 12 | 13 | 13 | 10 | 10 | 12 | 14 | 14 | 13 | 12 | 14 |
| Remain unchanged (c) | 21 | 19 | 21 | 17 | 16 | 21 | 20 | 17 | 19 | 19 | 20 | 20 | 21 |
| Intermittent decline (d) | 23 | 23 | 23 | 23 | 24 | 23 | 21 | 23 | 23 | 21 | 22 | 20 | 18 |
| Continuous decline (e) | 24 | 25 | 25 | 27 | 27 | 27 | 28 | 24 | 23 | 23 | 21 | 26 | 26 |
| Mixed change (f) | 7 | 11 | 7 | 7 | 6 | 8 | 7 | 7 | 6 | 8 | 6 | 8 | 7 |
| DK,NA | 5 | 2 | 3 | 3 | 4 | 3 | 3 | 4 | 3 | 3 | 5 | 2 | 4 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 |

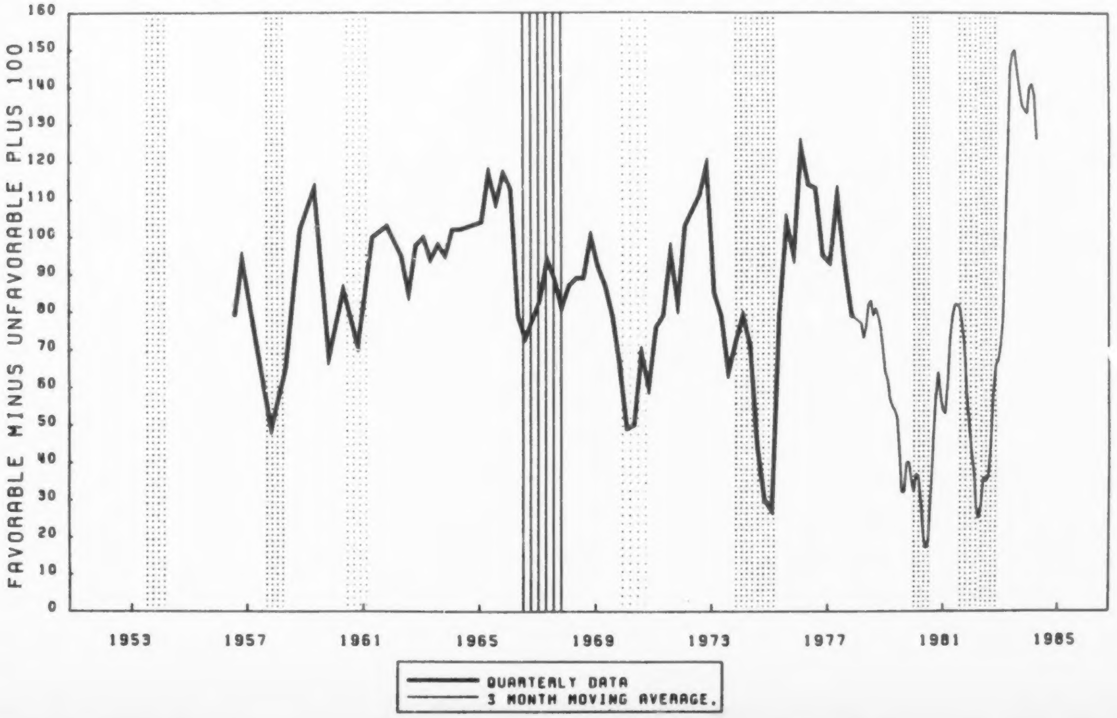
Combination of the responses to the questions on Tables 9 and 10.

Key: (a) Income up more last year/Income up more next year
(b) Income up more/Same or Income up same/More
(c) Income up same/Same
(d) Prices up more/Same or Prices up same/More
(e) Prices up more/More
(f) Income up more/Prices up more or Prices up more/Income up more

## CHART 12 - RECENT CHANGES
## NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS



## CHART 12 - HISTORICAL SERIES
## NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS



## TABLE 12

## NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS +

| | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| FAVORABLE NEWS | 76% | 80% | 83% | 74% | 69% | 64% | 63% | 62% | 60% | 78% | 66% | 58% | 49% |
| UNFAVORABLE NEWS | 32 | 29 | 31 | 28 | 34 | 27 | 30 | 30 | 25 | 26 | 31 | 32 | 32 |
| NO MENTIONS | 32 | 31 | 27 | 34 | 34 | 43 | 41 | 39 | 42 | 33 | 38 | 43 | 46 |

The questions were: "During the last few months, have you heard of any favorable or unfavorable changes in business conditions?" and "What did you hear?"

+ : May add to more than 100% due to multiple mentions.

CHART 13A - HISTORICAL SERIES
TYPE OF NEWS HEARD ABOUT CHANGES IN BUSINESS CONDITIONS

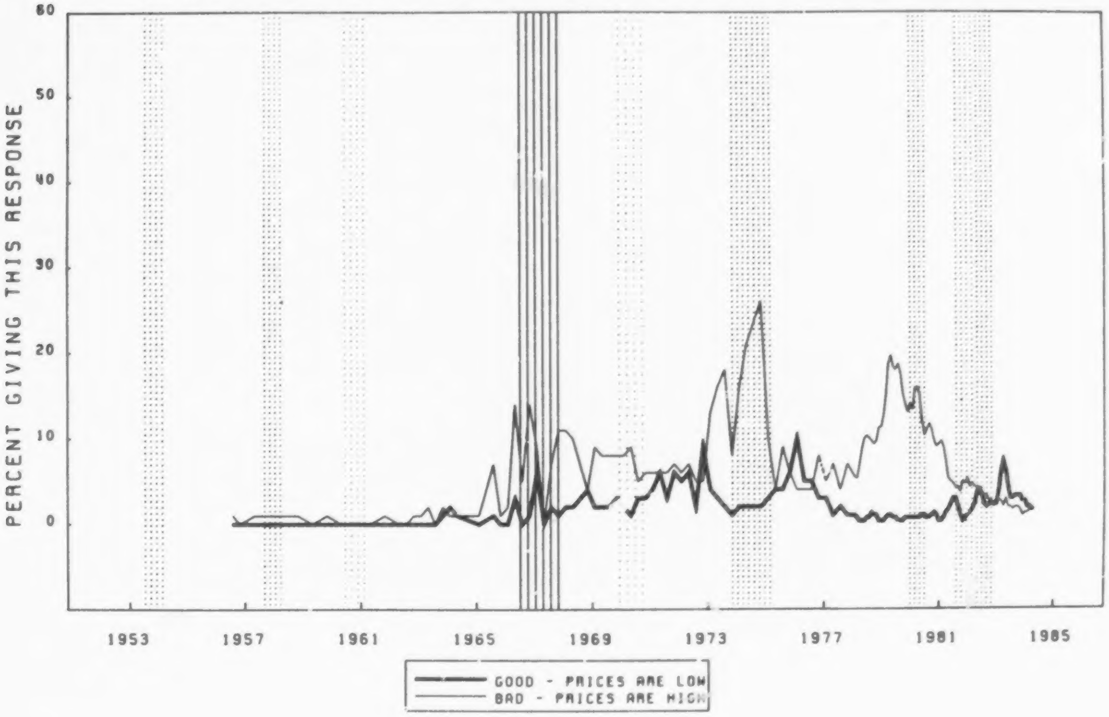
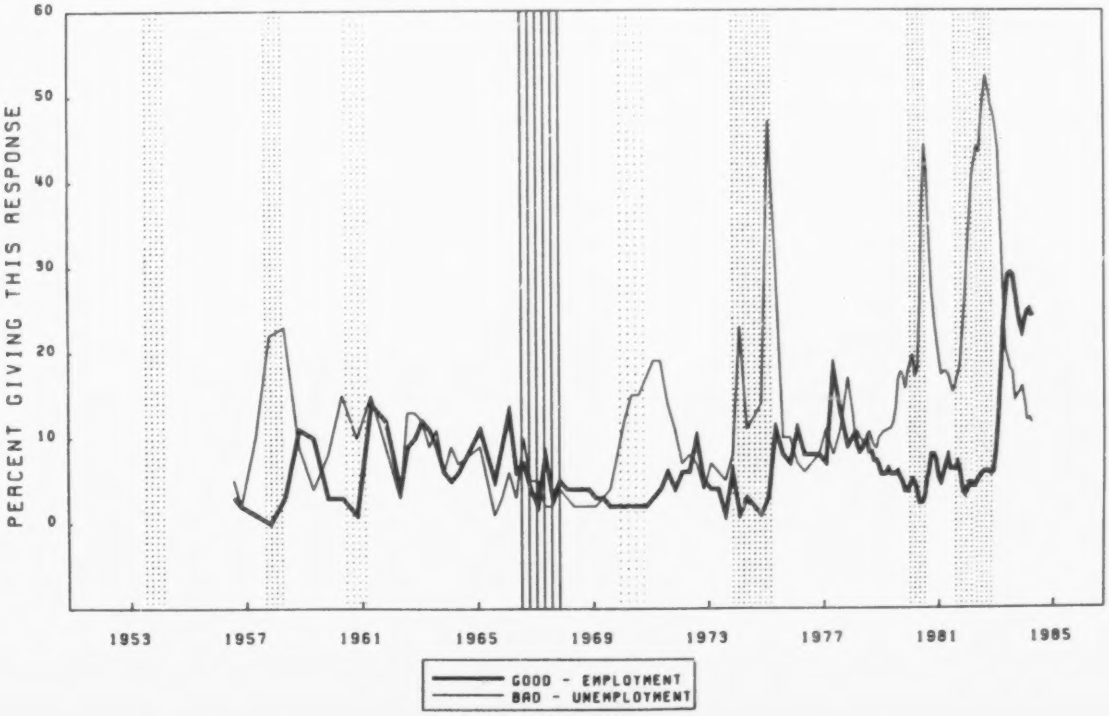


CHART 13B - HISTORICAL SERIES
TYPE OF NEWS HEARD ABOUT CHANGES IN BUSINESS CONDITIONS



# TABLE 13

## SELECTED ITEMS OF
## NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS +

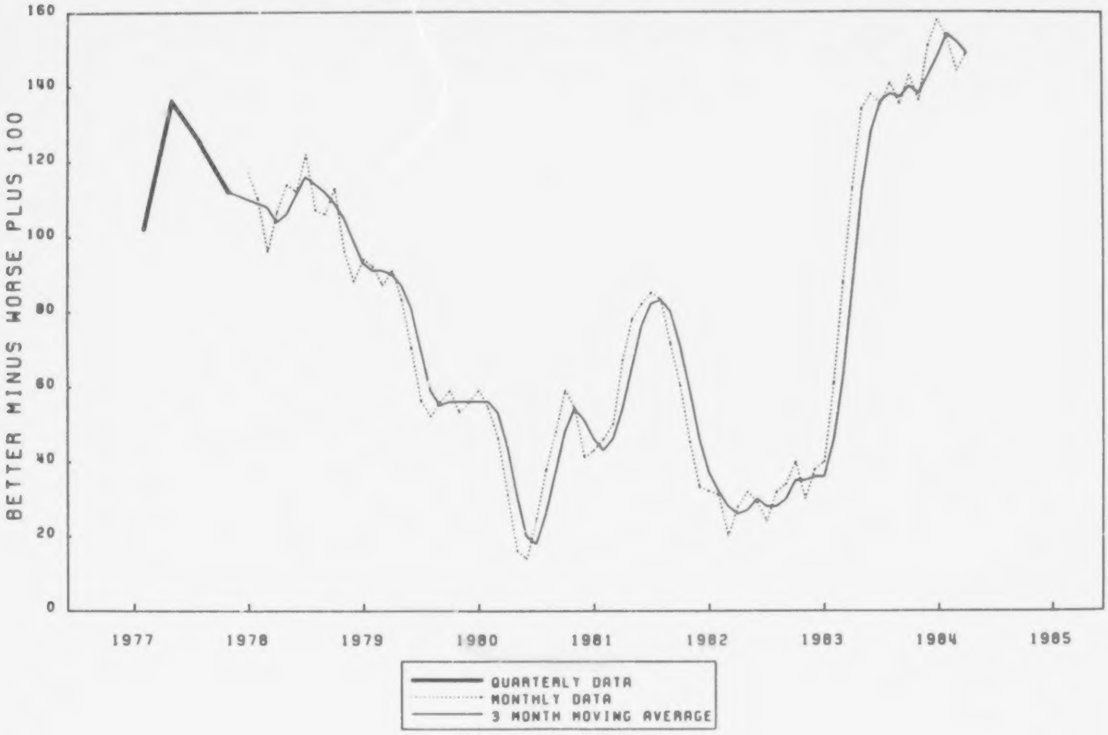
| | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| FAVORABLE NEWS: | | | | | | | | | | | | | |
| Government; elections | 2% | 1% | 1% | 2% | 2% | 1% | 2% | 2% | 1% | 3% | 2% | 1% | 1% |
| Employment | 29 | 28 | 31 | 29 | 27 | 25 | 23 | 22 | 22 | 27 | 25 | 25 | 23 |
| Consumer demand high | 8 | 11 | 12 | 11 | 13 | 11 | 11 | 13 | 12 | 18 | 15 | 10 | 8 |
| Prices are low | 7 | 3 | 3 | 3 | 3 | 4 | 3 | 3 | 2 | 3 | 1 | 2 | 1 |
| Credit is easy | 15 | 16 | 17 | 11 | 8 | 8 | 7 | 5 | 4 | 5 | 4 | 5 | 4 |
| UNFAVORABLE NEWS: | | | | | | | | | | | | | |
| Government; elections | 3 | 3 | 2 | 2 | 3 | 1 | 1 | 2 | 3 | 2 | 5 | 4 | 2 |
| Unemployment | 20 | 17 | 21 | 16 | 16 | 11 | 18 | 17 | 13 | 13 | 10 | 14 | 11 |
| Consumer demand low | 3 | 2 | 2 | 2 | 2 | 1 | 1 | 2 | * | 2 | 1 | 1 | * |
| Prices are high | 1 | 3 | 2 | 1 | 2 | 3 | 1 | 1 | 1 | 2 | 1 | 2 | 1 |
| Credit is tight | 1 | 1 | 1 | 3 | 6 | 4 | 2 | 1 | 2 | 1 | 2 | 3 | 9 |
| Energy crisis | * | * | * | * | * | * | * | * | * | * | * | * | * |

The questions were: "During the last few months, have you heard of any favorable or unfavorable changes in business conditions?" and "What did you hear?"

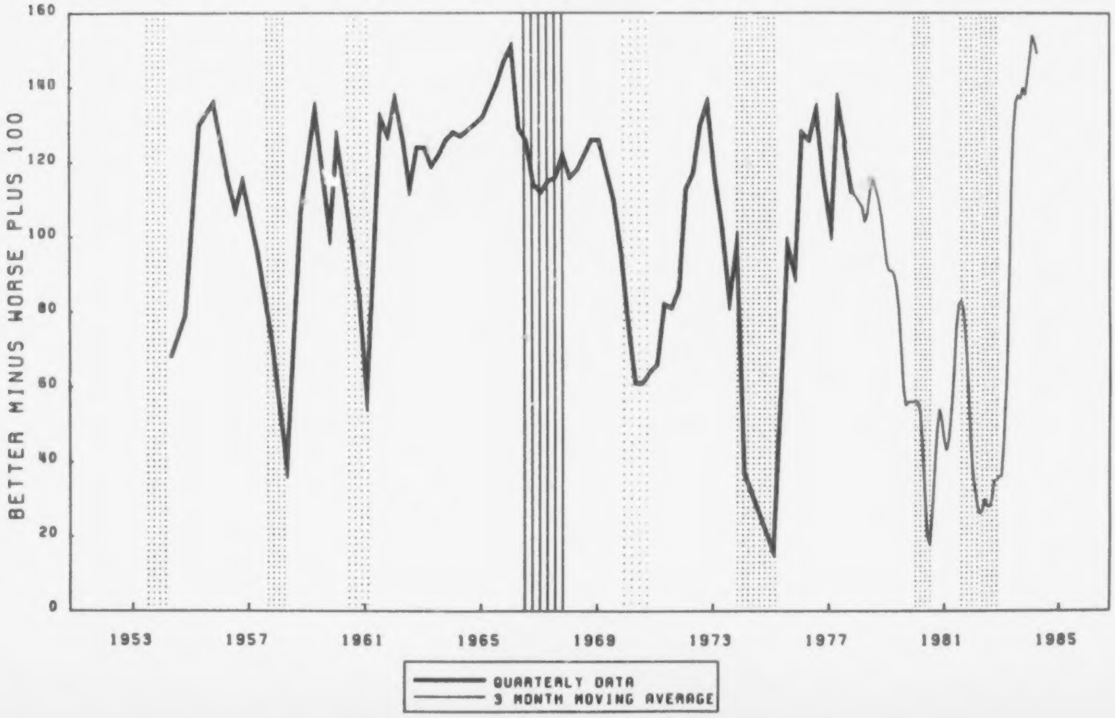
+ : May add to more than 100% due to multiple mentions.

* : Less than half of one percent.

## CHART 14 - RECENT CHANGES
## CURRENT BUSINESS CONDITIONS COMPARED WITH A YEAR AGO



## CHART 14 - HISTORICAL SERIES
## CURRENT BUSINESS CONDITIONS COMPARED WITH A YEAR AGO



## TABLE 14

## CURRENT BUSINESS CONDITIONS COMPARED TO A YEAR AGO

| | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| BETTER NOW | 51% | 62% | 64% | 63% | 66% | 62% | 66% | 63% | 71% | 75% | 72% | 67% | 68% |
| SAME | 10 | 10 | 9 | 8 | 8 | 10 | 9 | 8 | 8 | 6 | 8 | 9 | 11 |
| WORSE NOW | 38 | 28 | 26 | 28 | 25 | 27 | 23 | 27 | 20 | 17 | 19 | 23 | 19 |
| DK,NA | 1 | * | 1 | 1 | 1 | 1 | 2 | 2 | 1 | 2 | 1 | 1 | 2 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 |

The question was: "Would you say that at the present time business conditions are better or worse than they were a year ago?"

* : Less than half of one percent.

CHART 15 - RECENT CHANGES
EXPECTED CHANGE IN BUSINESS CONDITIONS IN A YEAR

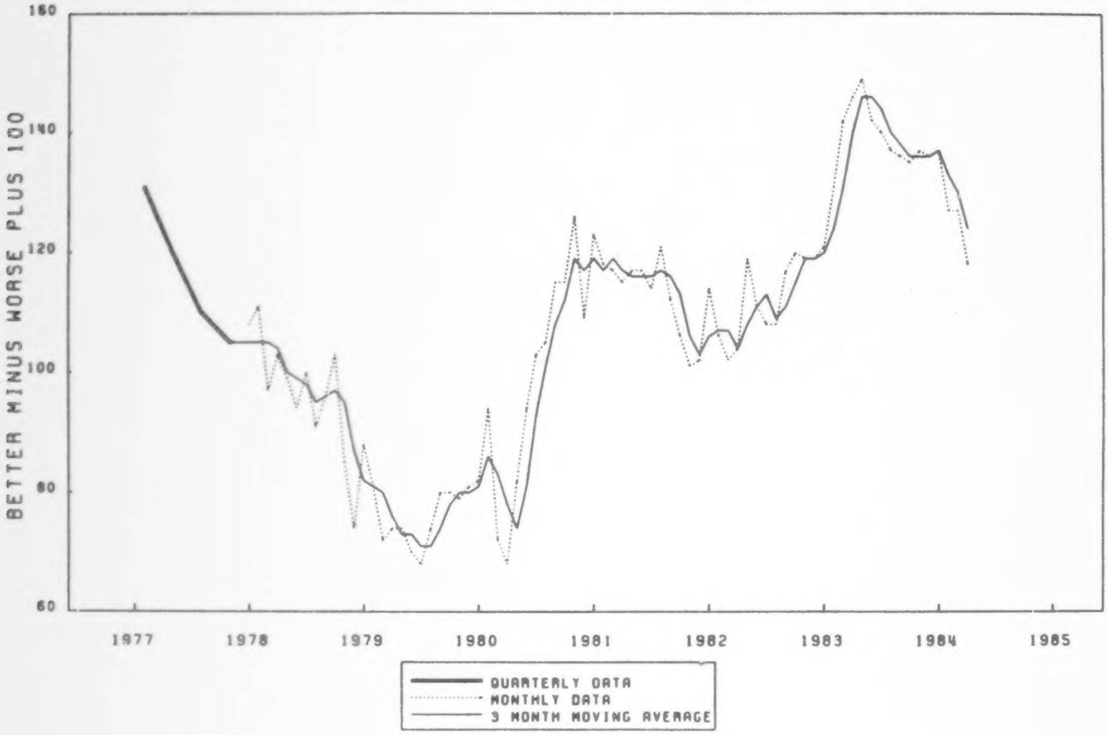
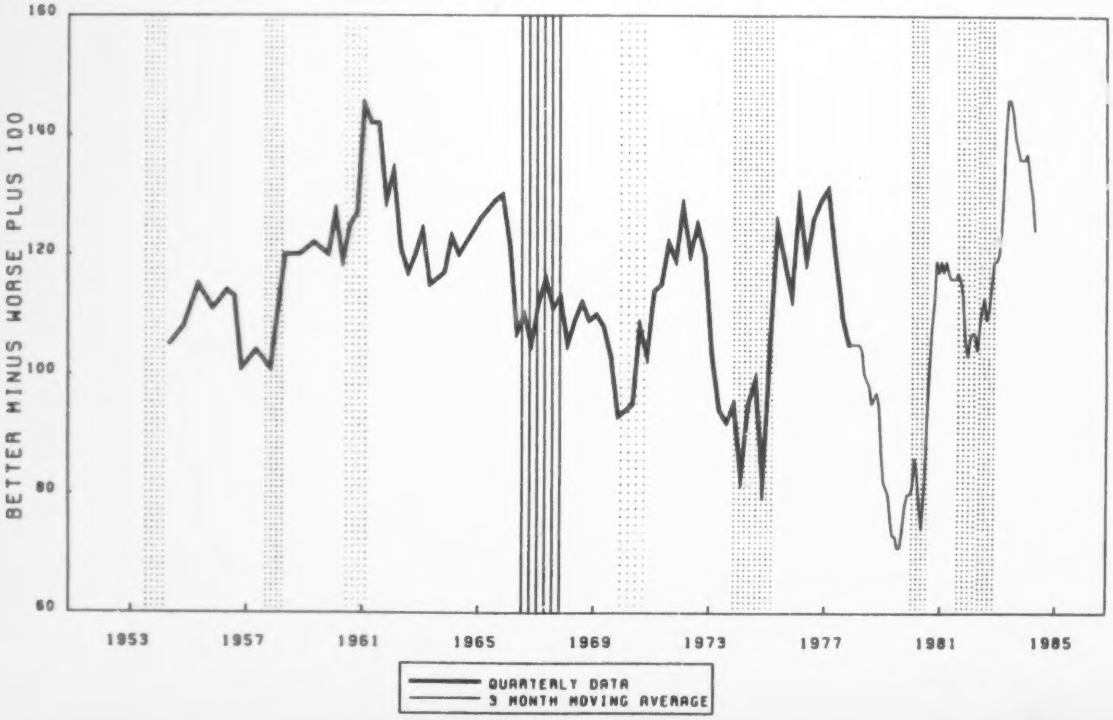


CHART 15 - HISTORICAL SERIES
EXPECTED CHANGE IN BUSINESS CONDITIONS IN A YEAR



## TABLE 15

## EXPECTED CHANGE IN BUSINESS CONDITIONS IN A YEAR

| | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| BETTER | 53% | 55% | 49% | 48% | 47% | 46% | 46% | 46% | 44% | 46% | 38% | 38% | 32% |
| SAME | 38 | 38 | 42 | 42 | 42 | 42 | 41 | 43 | 45 | 43 | 48 | 49 | 52 |
| WORSE | 7 | 6 | 7 | 8 | 10 | 10 | 11 | 9 | 8 | 9 | 11 | 11 | 14 |
| DK,NA | 2 | 1 | 2 | 2 | 1 | 2 | 2 | 2 | 3 | 2 | 3 | 2 | 2 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 |

The question was: "And how about a year from now, do you expect that in the country as a whole business conditions will be better, or worse than they are at present, or just about the same?"

CHART 16A - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUSINESS CONDITIONS IN A YEAR

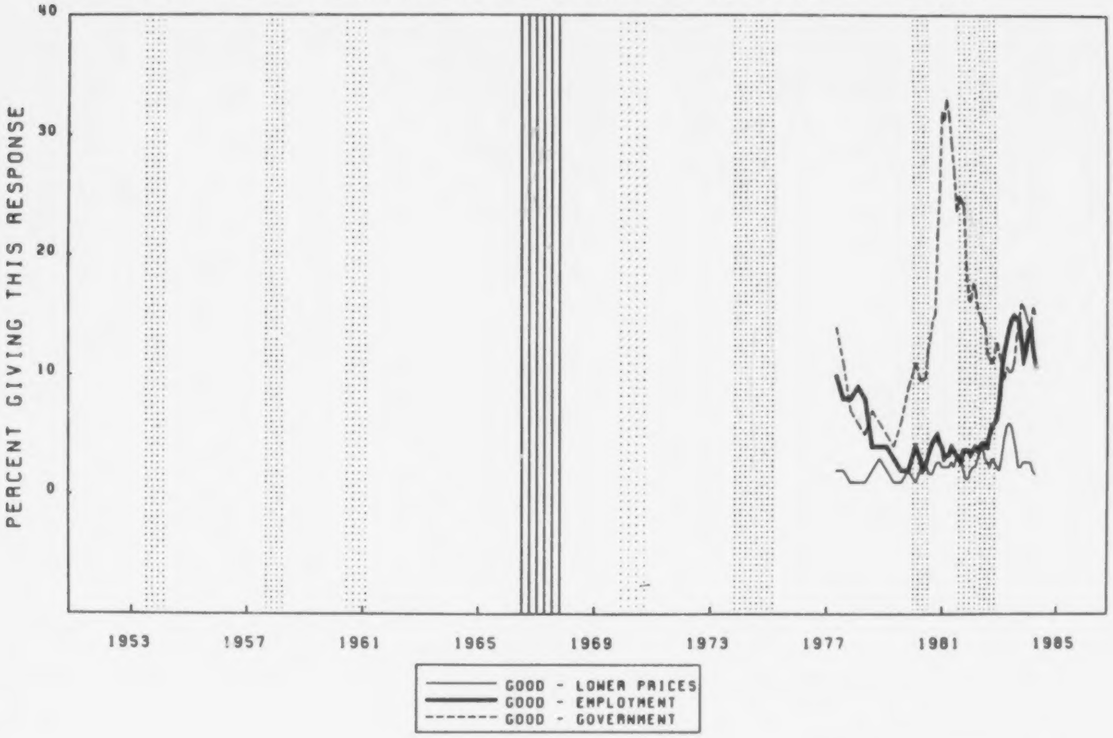
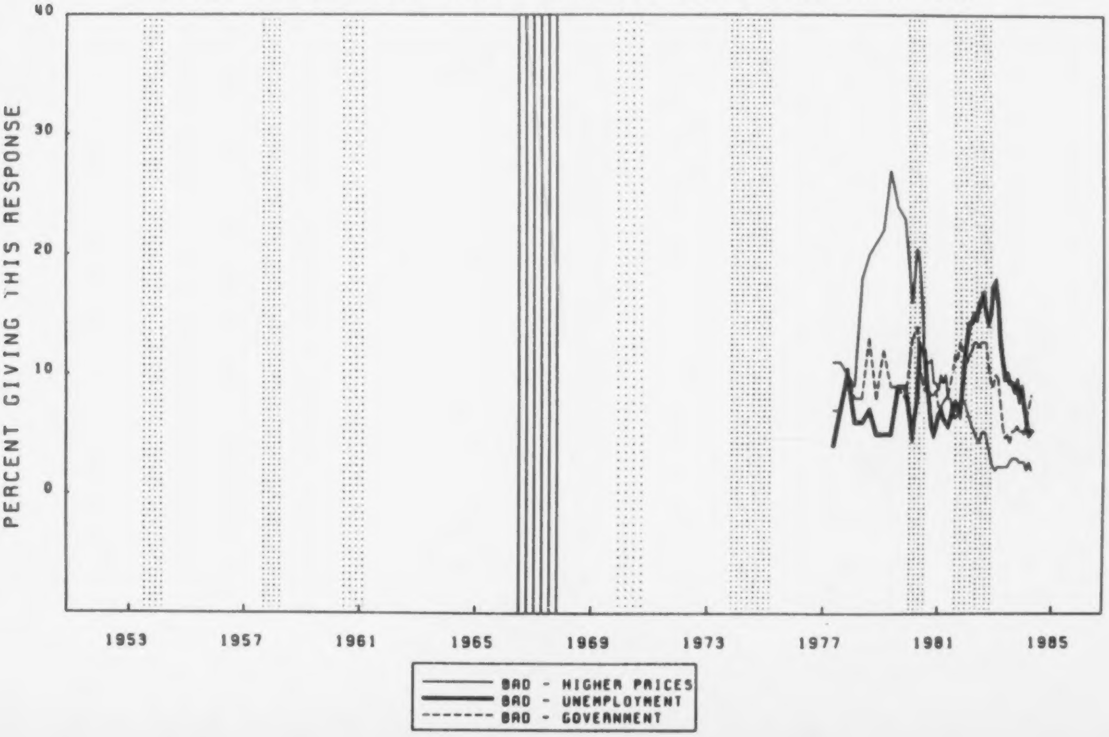


CHART 16B - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUSINESS CONDITIONS IN A YEAR



## TABLE 16

## REASONS FOR OPINIONS ABOUT CHANGES IN BUSINESS CONDITIONS IN A YEAR +

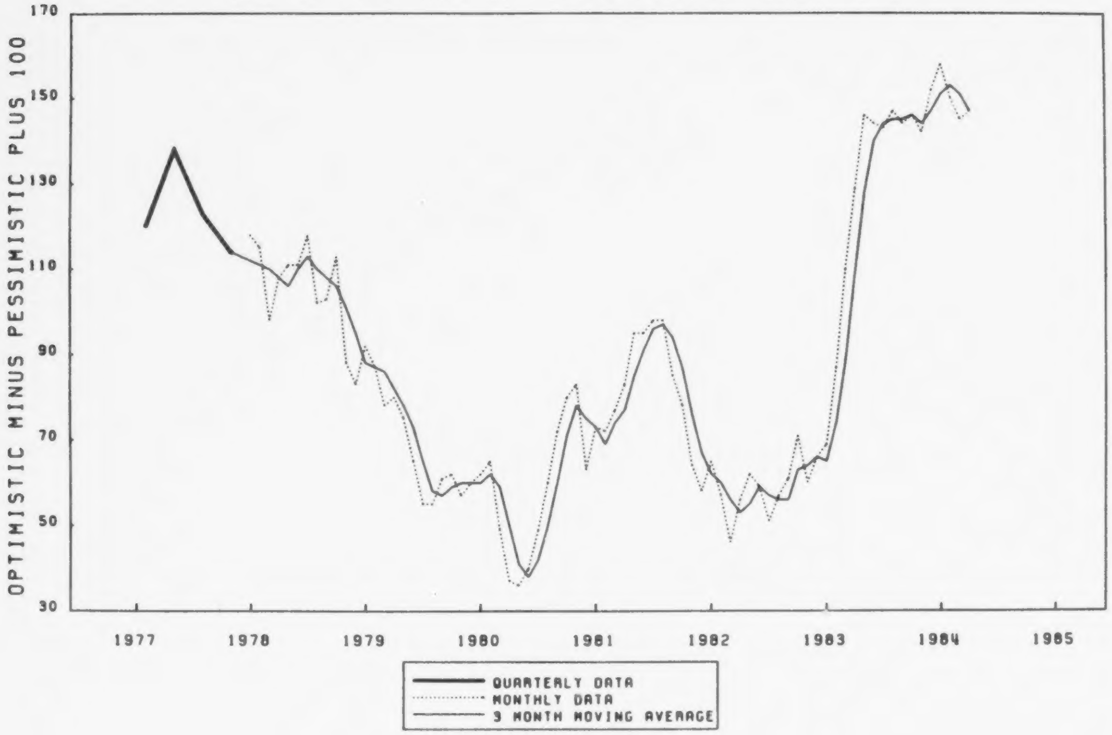
| | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| FAVORABLE REASONS: | | | | | | | | | | | | | |
| Government; elections | 11% | 10% | 10% | 13% | 16% | 15% | 17% | 15% | 13% | 15% | 15% | 17% | 13% |
| Employment | 14 | 16 | 14 | 15 | 15 | 14 | 10 | 10 | 16 | 15 | 11 | 10 | 11 |
| Higher consumer demand | 9 | 10 | 9 | 7 | 6 | 7 | 8 | 8 | 8 | 8 | 5 | 4 | 4 |
| Lower prices | 6 | 5 | 6 | 3 | 2 | 2 | 3 | 2 | 3 | 3 | 1 | 2 | 1 |
| Easier credit | 14 | 12 | 12 | 7 | 6 | 5 | 6 | 4 | 4 | 3 | 4 | 2 | 2 |
| UNFAVORABLE REASONS: | | | | | | | | | | | | | |
| Government; elections | 5 | 4 | 6 | 4 | 6 | 6 | 5 | 5 | 6 | 4 | 9 | 9 | 7 |
| Unemployment | 10 | 9 | 11 | 8 | 9 | 9 | 10 | 8 | 8 | 6 | 4 | 5 | 7 |
| Lower consumer demand | 4 | 2 | 2 | 4 | 3 | 1 | 3 | 2 | 2 | 2 | 1 | 1 | 2 |
| Higher prices | 2 | 3 | 2 | 3 | 4 | 2 | 3 | 3 | 2 | 3 | 1 | 3 | 2 |
| Tighter credit | 2 | 2 | 3 | 4 | 3 | 2 | 2 | 2 | 1 | 2 | 4 | 2 | 7 |
| Energy crisis | * | * | * | * | * | * | * | * | * | * | * | * | * |

The question was: "Why do you expect business conditions to be better/the same/worse a year from now?" following the question on table 15.

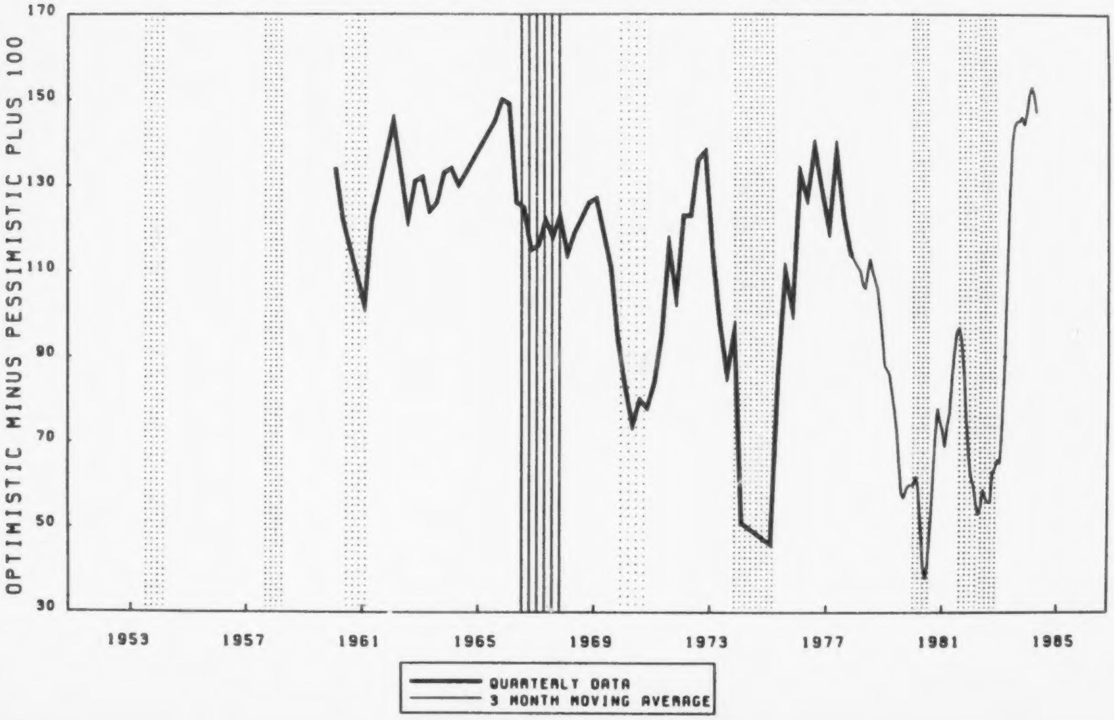
+ : May add to more than 100% due to multiple mentions.

* : Less than half of one percent.

## CHART 17 - RECENT CHANGES
## TREND IN PAST AND EXPECTED BUSINESS CONDITIONS



## CHART 17 - HISTORICAL SERIES
## TREND IN PAST AND EXPECTED BUSINESS CONDITIONS



## TABLE 17

## TREND IN PAST AND EXPECTED CHANGES IN BUSINESS CONDITIONS

| | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| TREND: | | | | | | | | | | | | | |
| Continuous increase (a) | 36% | 42% | 39% | 39% | 38% | 34% | 39% | 36% | 38% | 41% | 32% | 31% | 25% |
| Intermittent increase (b) | 18 | 23 | 26 | 24 | 27 | 28 | 26 | 27 | 30 | 31 | 34 | 32 | 39 |
| Remain unchanged (c) | 5 | 5 | 5 | 5 | 6 | 7 | 5 | 4 | 6 | 4 | 5 | 6 | 7 |
| Intermittent decline (d) | 19 | 14 | 16 | 15 | 12 | 12 | 13 | 17 | 12 | 10 | 12 | 14 | 10 |
| Continuous decline (e) | 6 | 5 | 5 | 5 | 6 | 6 | 6 | 4 | 4 | 4 | 4 | 4 | 7 |
| Mixed change (f) | 14 | 10 | 7 | 9 | 9 | 10 | 7 | 9 | 7 | 7 | 10 | 10 | 9 |
| DK,NA | 2 | 1 | 2 | 3 | 2 | 3 | 4 | 3 | 3 | 3 | 3 | 3 | 3 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 |

Combination of the responses to the questions on Tables 14 and 15.

Key: (a) Better than a year ago/Better a year from now
(b) Better/Same or Same/Better
(c) Same/Same
(d) Worse/Same or Same/Worse
(e) Worse/Worse
(f) Worse/Better or Better/Worse

CHART 18 - RECENT CHANGES
BUSINESS CONDITIONS EXPECTED DURING THE NEXT TWELVE MONTHS

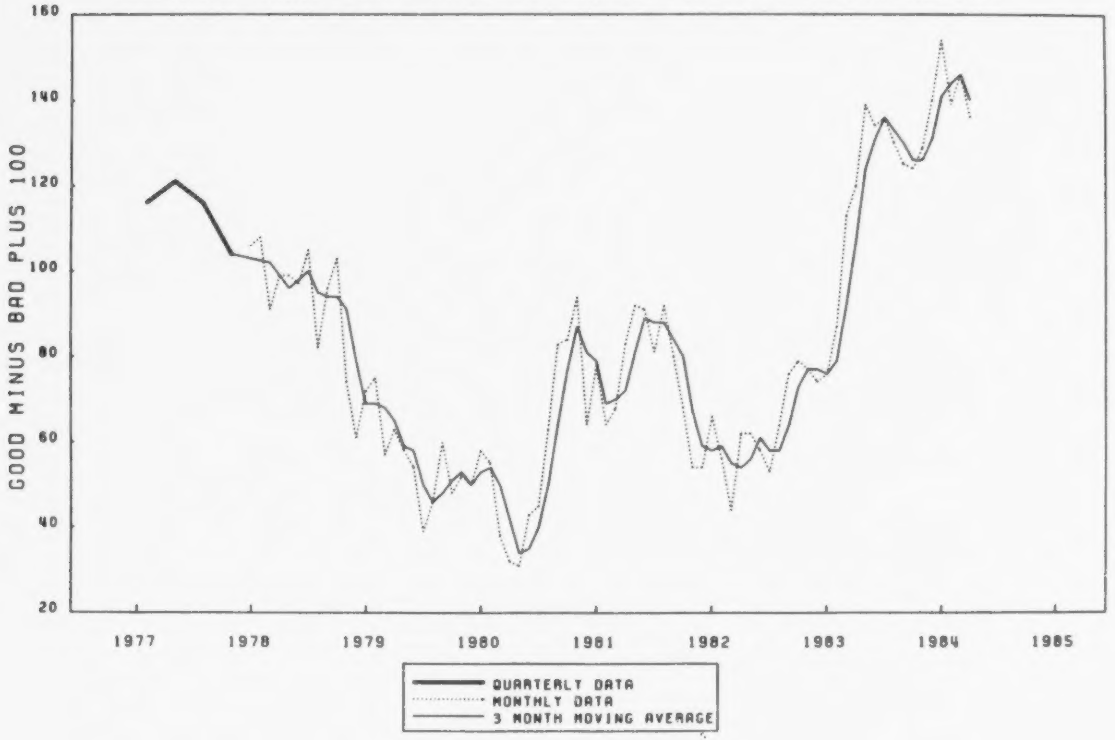
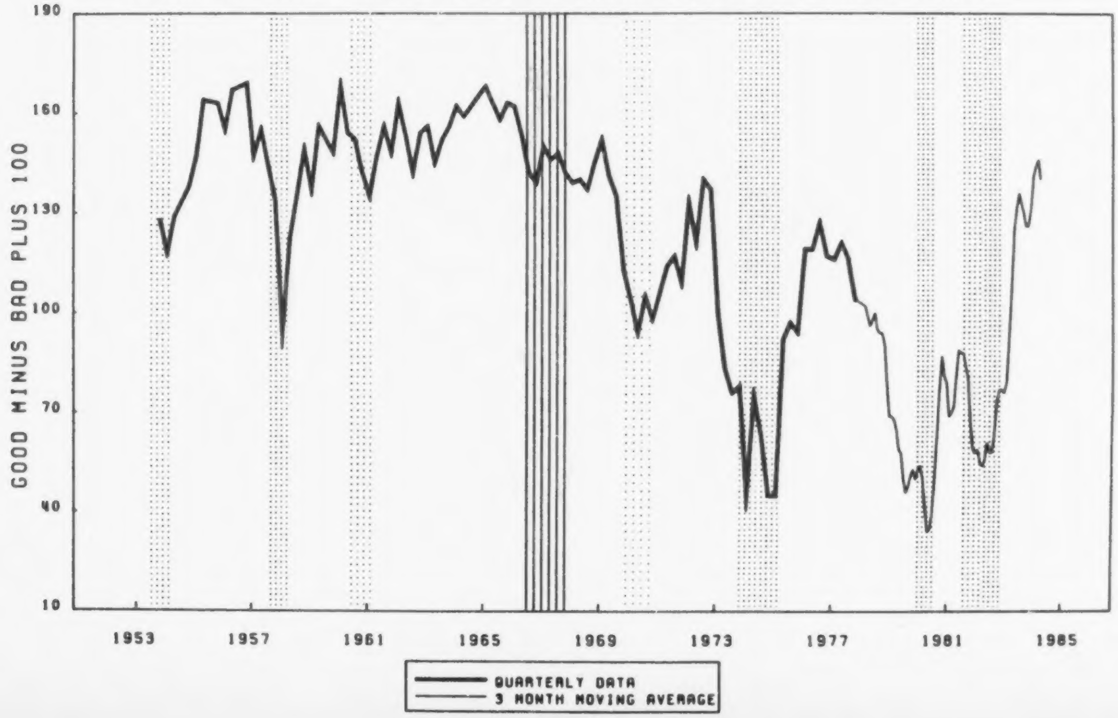


CHART 18 - HISTORICAL SERIES
BUSINESS CONDITIONS EXPECTED DURING THE NEXT TWELVE MONTHS



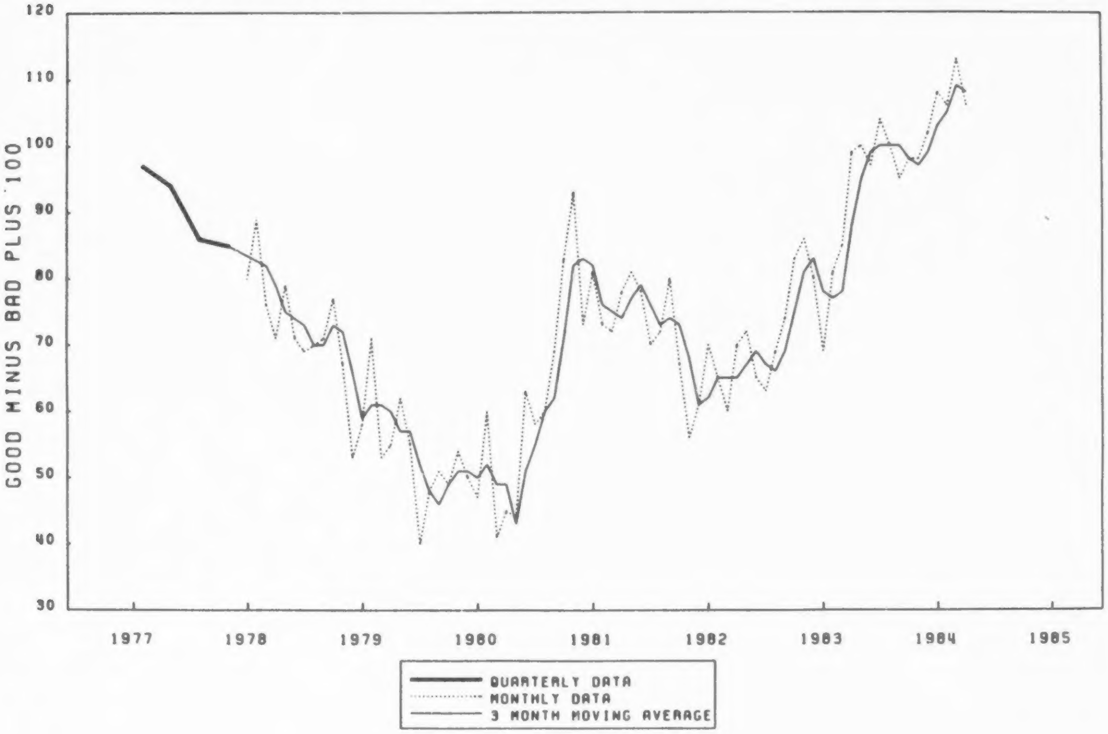
## TABLE 18

## BUSINESS CONDITIONS EXPECTED DURING THE NEXT 12 MONTHS

| | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| GOOD TIMES | 56% | 65% | 63% | 63% | 60% | 58% | 58% | 59% | 67% | 73% | 65% | 69% | 63% |
| UNCERTAIN; GOOD & BAD | 1 | 2 | 3 | 3 | 3 | 2 | 3 | 3 | 2 | 2 | 2 | 2 | 3 |
| BAD TIMES | 36 | 26 | 29 | 27 | 30 | 33 | 34 | 30 | 27 | 19 | 26 | 23 | 27 |
| DON'T KNOW | 3 | 4 | 3 | 6 | 5 | 5 | 4 | 6 | 3 | 5 | 5 | 4 | 5 |
| NOT ASCERTAINED | 4 | 3 | 2 | 1 | 2 | 2 | 1 | 2 | 1 | 1 | 2 | 2 | 2 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 |

The question was: "Now turning to business conditions in the country as a whole--do you think that during the next 12 months we'll have good times financially, or bad times or what?"

## CHART 19 - RECENT CHANGES
## BUSINESS CONDITIONS EXPECTED FOR THE NEXT FIVE YEARS



## CHART 19 - HISTORICAL SERIES
## BUSINESS CONDITIONS EXPECTED FOR THE NEXT FIVE YEARS

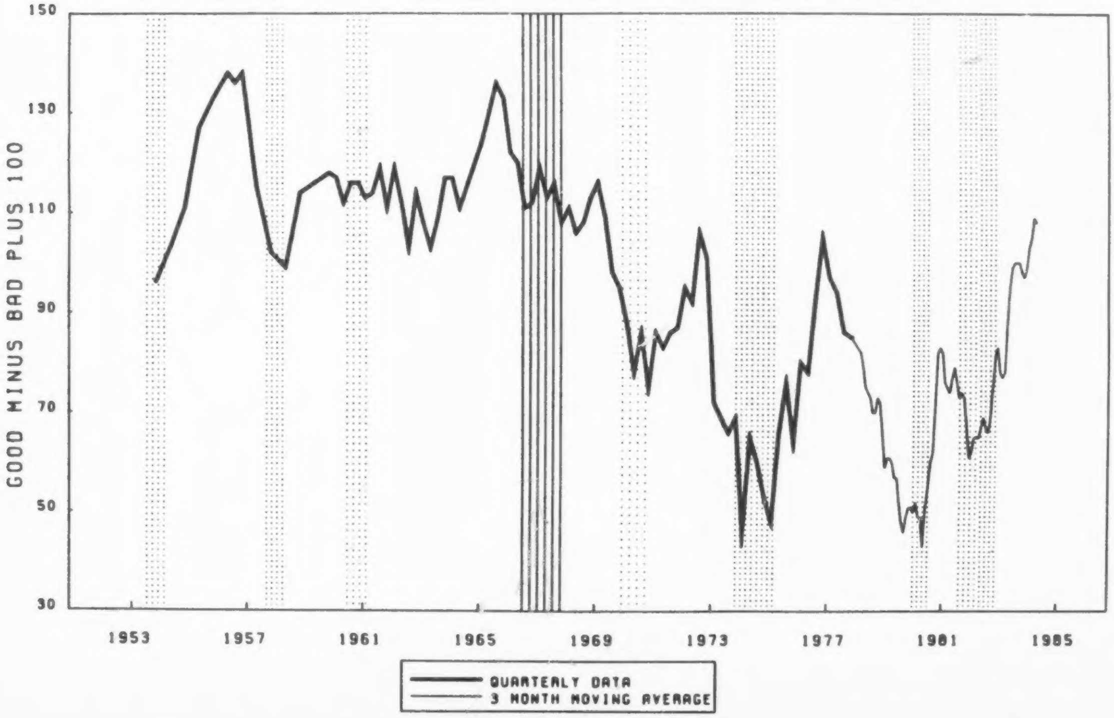


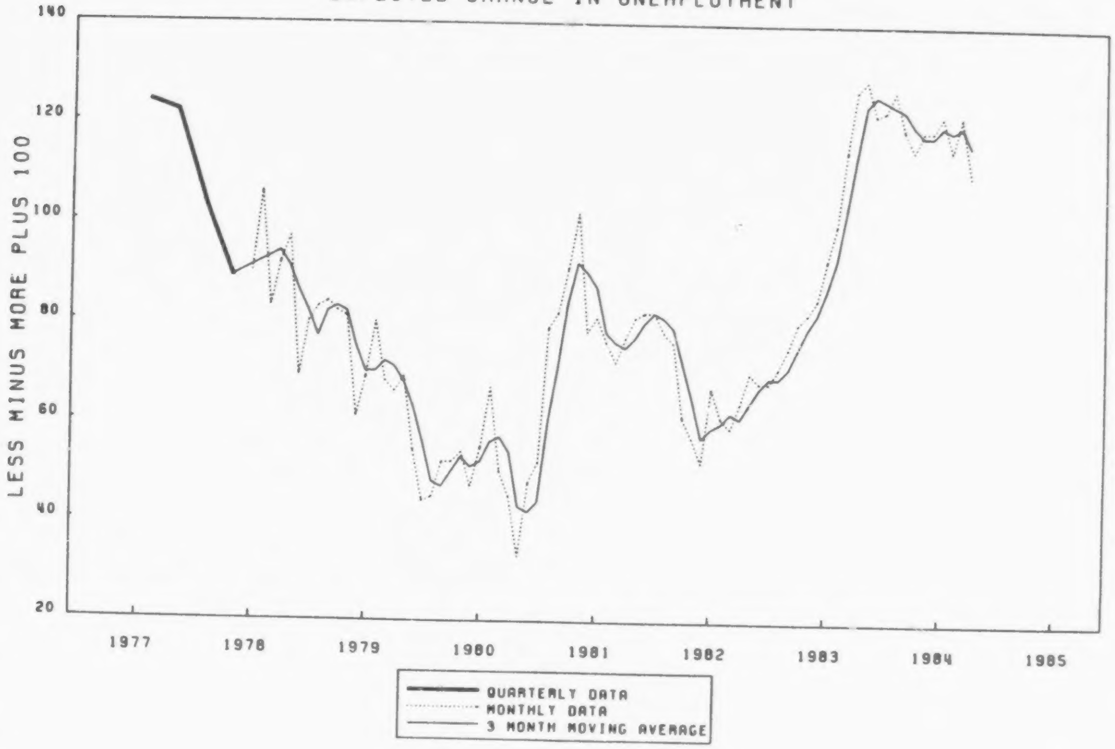
TABLE 19

BUSINESS CONDITIONS EXPECTED DURING THE NEXT FIVE YEARS

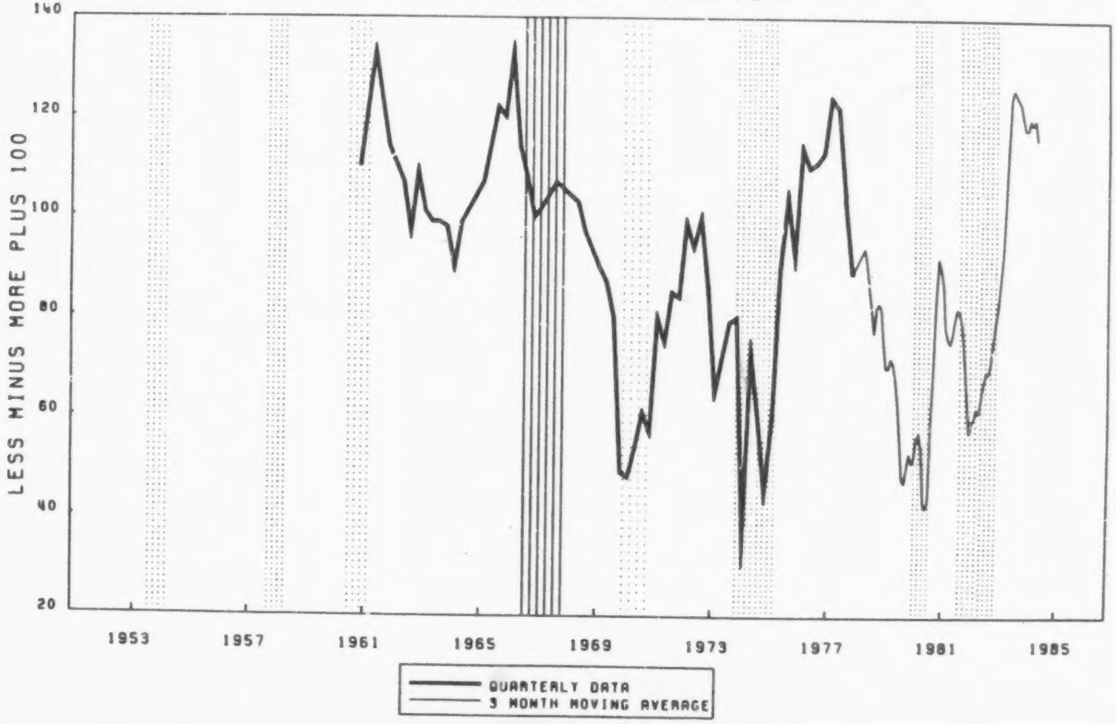
| | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| GOOD TIMES | 38% | 39% | 39% | 39% | 37% | 37% | 39% | 39% | 39% | 44% | 42% | 47% | 41% |
| UNCERTAIN; GOOD & BAD | 18 | 18 | 15 | 20 | 22 | 19 | 17 | 15 | 21 | 17 | 16 | 15 | 19 |
| BAD TIMES | 39 | 39 | 42 | 35 | 37 | 42 | 41 | 41 | 37 | 36 | 36 | 34 | 35 |
| NOT ASCERTAINED | 5 | 4 | 4 | 6 | 4 | 2 | 3 | 5 | 3 | 3 | 6 | 4 | 5 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 |

The question was: "Looking ahead, which would you say is more likely--that in the country as a whole we'll have continuous good times during the next 5 years or so, or that we will have periods of widespread unemployment or depression, or what?"

## CHART 20 - RECENT CHANGES
## EXPECTED CHANGE IN UNEMPLOYMENT



## CHART 20 - HISTORICAL SERIES
## EXPECTED CHANGE IN UNEMPLOYMENT



## TABLE 20

## EXPECTED CHANGE IN UNEMPLOYMENT

| | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| LESS | 42% | 42% | 37% | 39% | 42% | 36% | 35% | 35% | 36% | 36% | 31% | 38% | 28% |
| SAME | 41 | 44 | 47 | 44 | 40 | 46 | 44 | 47 | 45 | 48 | 50 | 45 | 52 |
| MORE | 15 | 13 | 15 | 16 | 15 | 17 | 20 | 16 | 17 | 14 | 16 | 16 | 18 |
| DK,NA | 2 | 1 | 1 | 1 | 3 | 1 | 1 | 2 | 2 | 2 | 3 | 1 | 2 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 |

The question was: "How about people out of work during the coming 12 months--do you think that there will be more unemployment than now, about the same, or less?"

CHART 21 - RECENT CHANGES
EXPECTED CHANGE IN INTEREST RATES

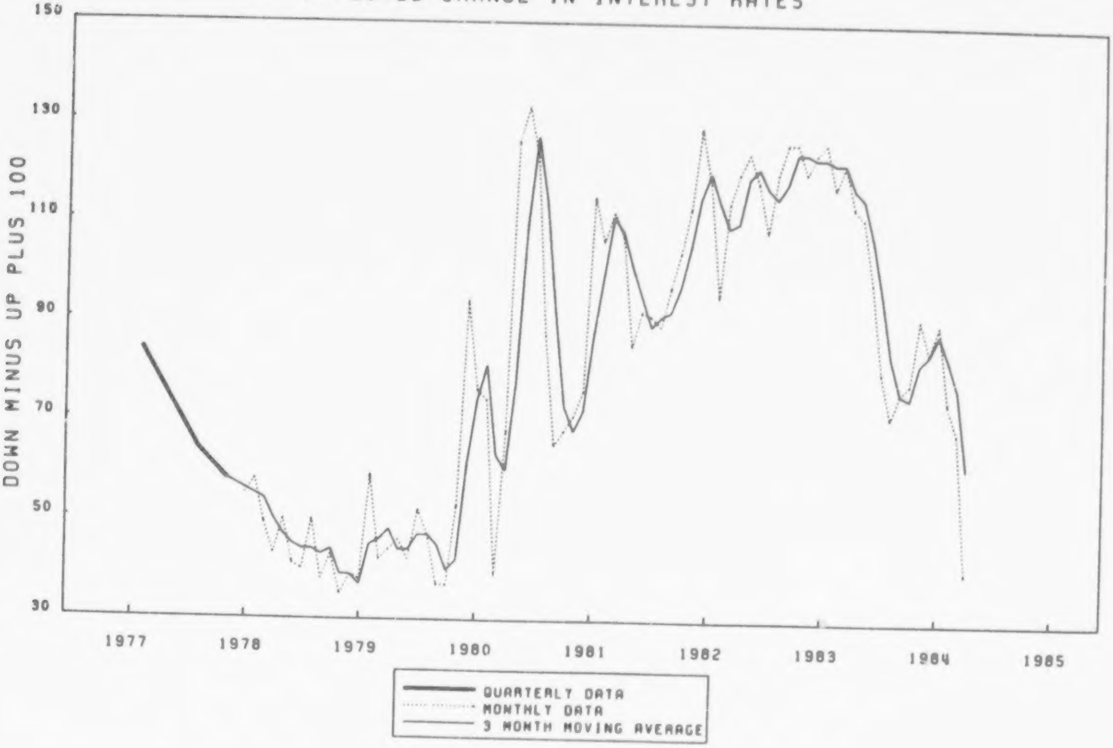
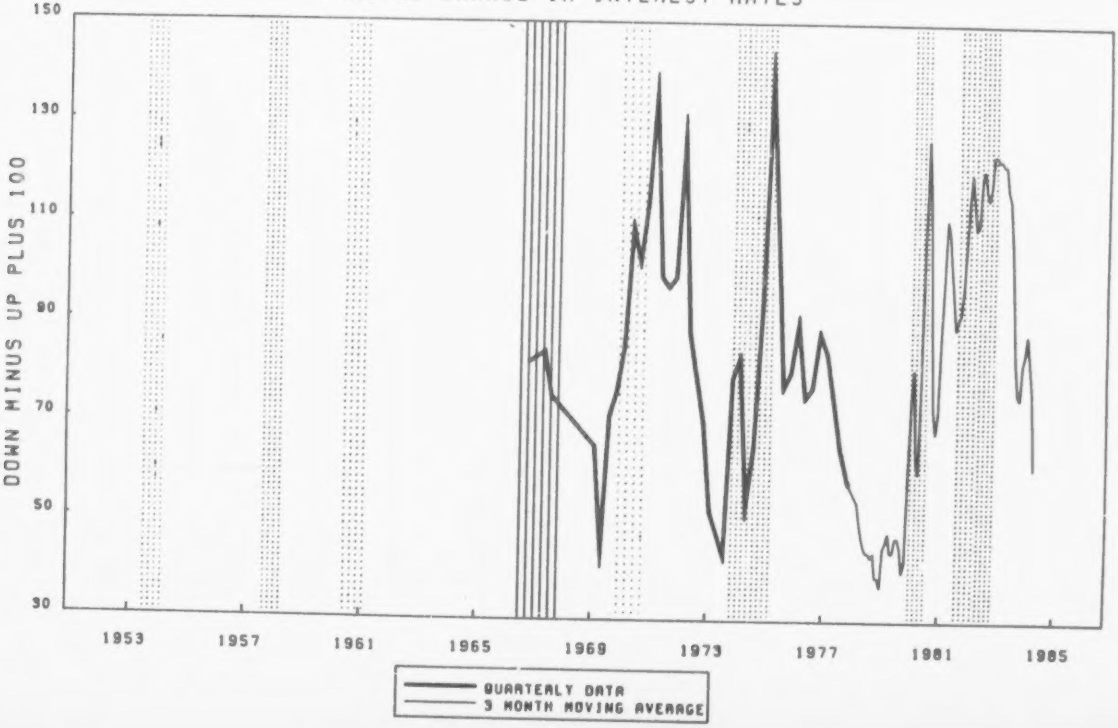


CHART 21 - HISTORICAL SERIES
EXPECTED CHANGE IN INTEREST RATES



## TABLE 21

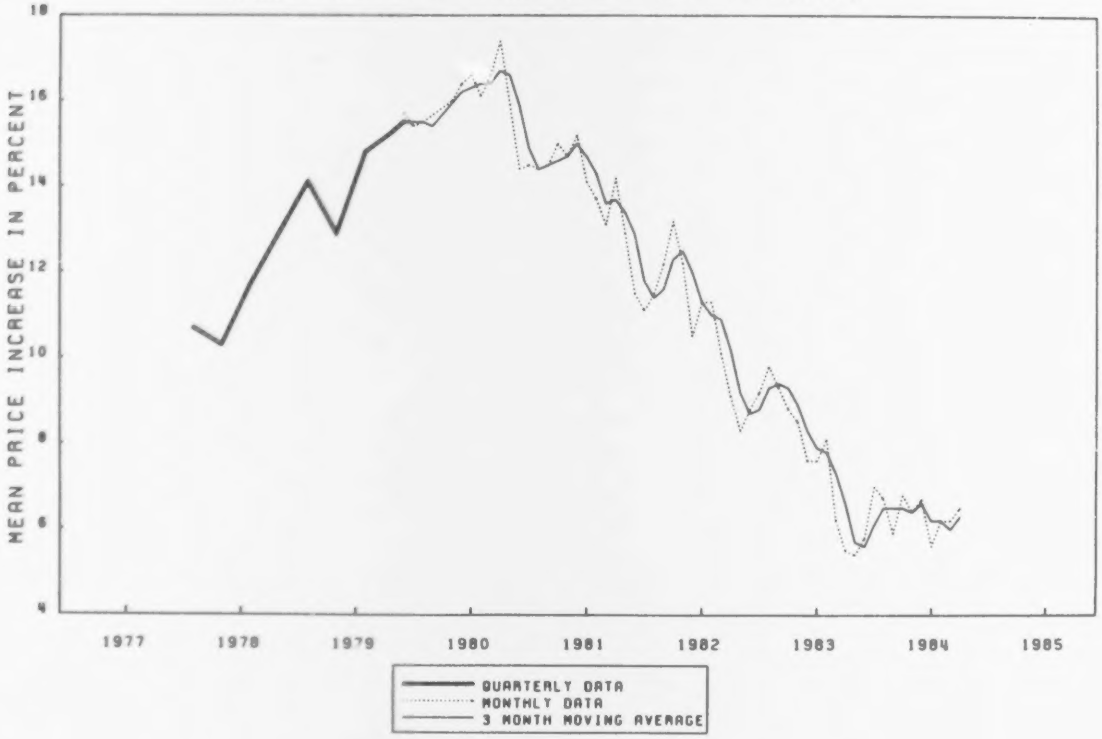
## EXPECTED CHANGE IN INTEREST RATES

| | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| GO UP | 21% | 20% | 29% | 40% | 47% | 44% | 43% | 33% | 37% | 32% | 42% | 45% | 68% |
| STAY THE SAME | 42 | 47 | 42 | 37 | 32 | 33 | 33 | 40 | 37 | 43 | 38 | 37 | 21 |
| GO DOWN | 34 | 31 | 27 | 20 | 18 | 20 | 21 | 24 | 21 | 22 | 16 | 13 | 8 |
| DK,NA | 3 | 2 | 2 | 3 | 3 | 3 | 3 | 3 | 5 | 3 | 4 | 5 | 3 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 |

The question was: "No one can say for sure, but what do you think will happen to interest rates for borrowing money during the next 12 months--will they go up, stay the same, or go down?"

CHART 22 - RECENT CHANGES

CHANGE IN PRICES DURING THE LAST 12 MONTHS



## TABLE 22

## CHANGE IN PRICES DURING THE LAST 12 MONTHS

| | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| SAME OR DOWN | 30% | 31% | 29% | 23% | 25% | 25% | 21% | 24% | 24% | 23% | 23% | 23% | 22% |
| GONE UP BY: | | | | | | | | | | | | | |
| 1-2% | 8 | 9 | 8 | 8 | 8 | 11 | 8 | 9 | 8 | 12 | 9 | 8 | 10 |
| 3-4% | 10 | 13 | 13 | 14 | 14 | 13 | 14 | 13 | 15 | 16 | 14 | 16 | 14 |
| 5% | 17 | 13 | 14 | 13 | 16 | 15 | 16 | 15 | 15 | 17 | 17 | 15 | 17 |
| 6-9% | 9 | 8 | 11 | 11 | 8 | 7 | 11 | 8 | 8 | 8 | 9 | 10 | 11 |
| 10-14% | 11 | 14 | 11 | 13 | 13 | 12 | 14 | 14 | 11 | 9 | 14 | 12 | 9 |
| 15% or more | 9 | 8 | 10 | 11 | 11 | 9 | 11 | 9 | 10 | 7 | 9 | 9 | 12 |
| DK how much up | 5 | 4 | 3 | 6 | 5 | 7 | 4 | 7 | 8 | 7 | 5 | 7 | 5 |
| DK,NA | 1 | * | 1 | 1 | * | 1 | 1 | 1 | 1 | 1 | * | * | * |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| MEAN INCREASE | 5.5 | 5.4 | 5.8 | 7.0 | 6.7 | 5.9 | 6.8 | 6.4 | 6.7 | 5.6 | 6.2 | 6.2 | 6.5 |
| VARIANCE | 64 | 61 | 65 | 88 | 93 | 71 | 81 | 76 | 90 | 69 | 68 | 72 | 75 |
| CASES | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 |

The questions were: "During the last 12 months, have prices of the things you buy remained unchanged, or have they gone up, or have they gone down?" and "By about what percent do you think prices have gone up,on the average, during the last 12 months?"

* : Less than half of one percent.

CHART 23 - RECENT CHANGES
MEAN EXPECTED PRICE INCREASE OVER THE NEXT 12 MONTHS

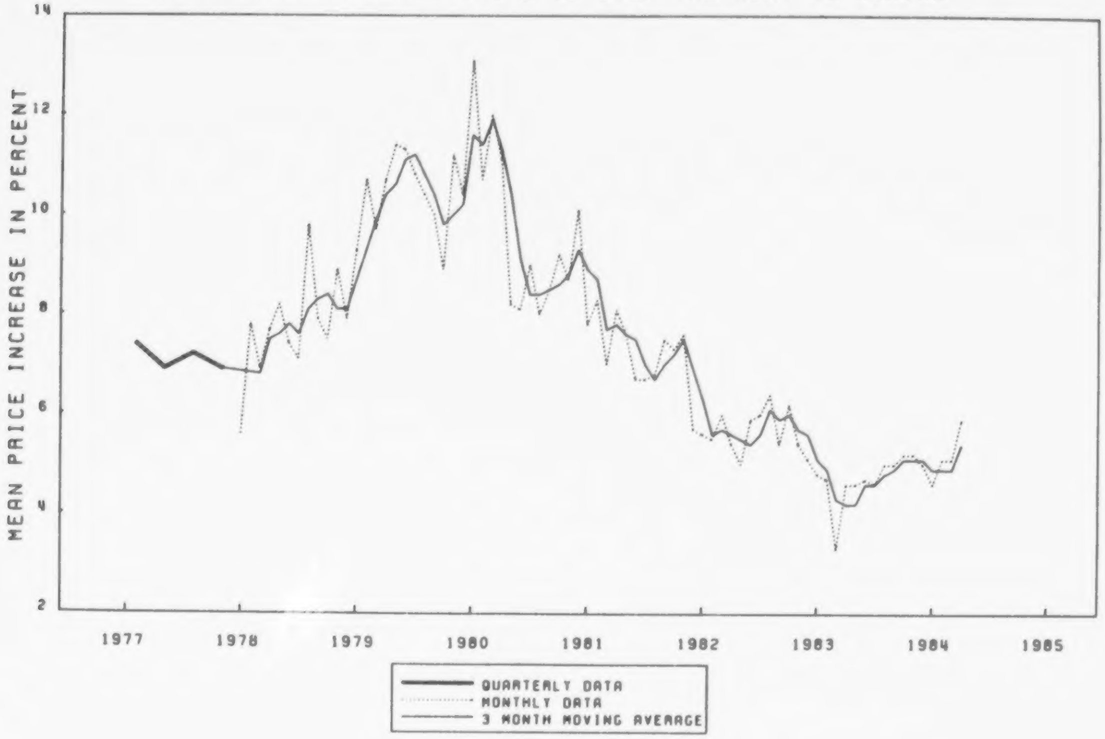
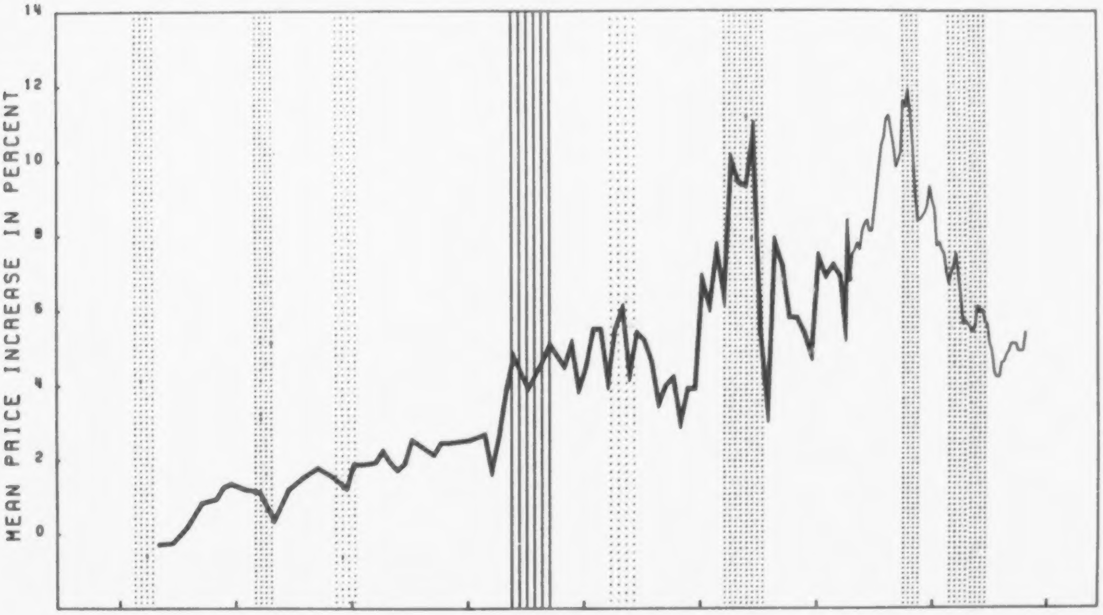


CHART 23 - HISTORICAL SERIES
MEAN EXPECTED PRICE INCREASE OVER THE NEXT 12 MONTHS



## TABLE 23

## EXPECTED CHANGE IN PRICES DURING THE NEXT 12 MONTHS

| | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| SAME OR DOWN | 30% | 32% | 33% | 29% | 23% | 28% | 24% | 25% | 23% | 25% | 23% | 24% | 19% |
| WILL GO UP BY: | | | | | | | | | | | | | |
| 1-2% | 10 | 9 | 8 | 12 | 14 | 13 | 12 | 12 | 12 | 13 | 14 | 14 | 13 |
| 3-4% | 13 | 13 | 15 | 15 | 16 | 14 | 15 | 14 | 15 | 20 | 19 | 16 | 17 |
| 5% | 17 | 17 | 16 | 15 | 16 | 16 | 15 | 16 | 17 | 13 | 19 | 15 | 15 |
| 6-9% | 10 | 10 | 9 | 9 | 9 | 7 | 10 | 9 | 8 | 9 | 6 | 10 | 12 |
| 10-14% | 9 | 10 | 9 | 9 | 9 | 10 | 11 | 11 | 11 | 10 | 8 | 11 | 11 |
| 15% or more | 5 | 5 | 6 | 6 | 6 | 7 | 8 | 6 | 5 | 4 | 6 | 5 | 8 |
| DK how much up | 4 | 3 | 3 | 3 | 5 | 4 | 4 | 5 | 7 | 4 | 4 | 4 | 3 |
| DK,NA | 2 | 1 | 1 | 2 | 2 | 1 | 1 | 2 | 2 | 2 | 1 | 1 | 2 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| MEAN INCREASE | 4.6 | 4.6 | 4.7 | 4.6 | 5.0 | 5.0 | 5.2 | 5.2 | 5.0 | 4.6 | 5.1 | 5.1 | 5.9 |
| VARIANCE | 45 | 49 | 54 | 44 | 47 | 51 | 36 | 54 | 44 | 40 | 51 | 55 | 57 |
| CASES | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 |

The questions were: "During the next 12 months, do you think that prices in general will go up, or go down, or stay where they are now?" and "By about what percent do you expect prices to go up, on the average, during the next 12 months?"

CHART 24 - RECENT CHANGES
UNEMPLOYMENT OR INFLATION MORE SERIOUS

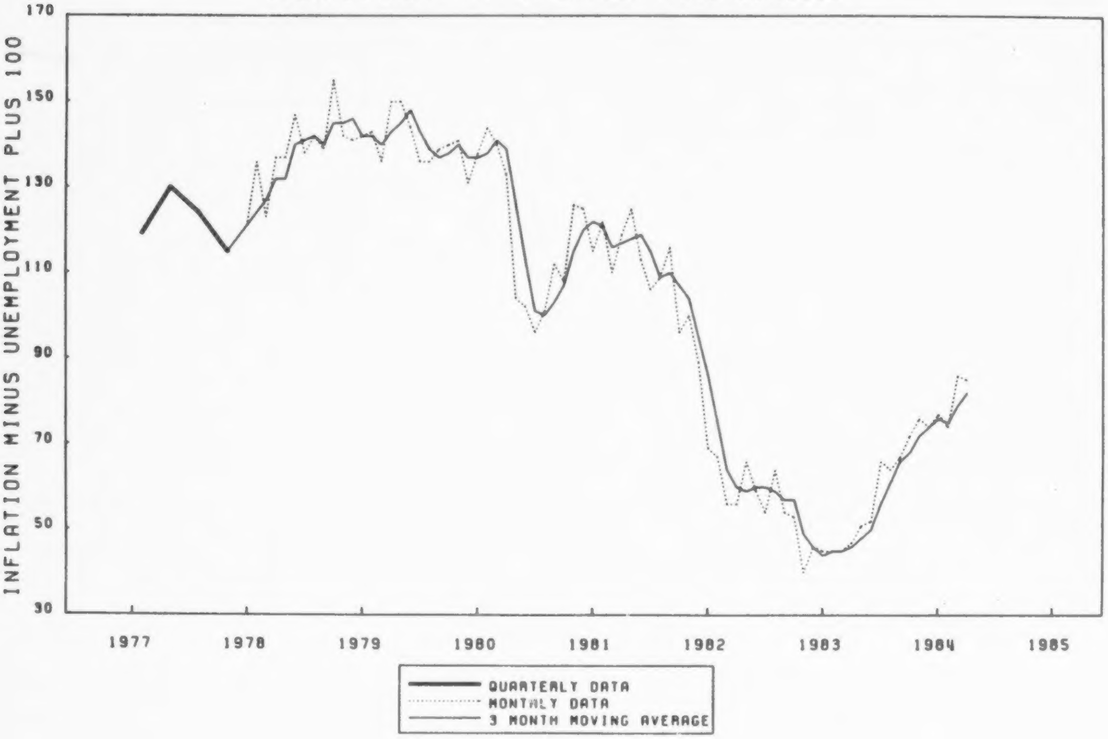
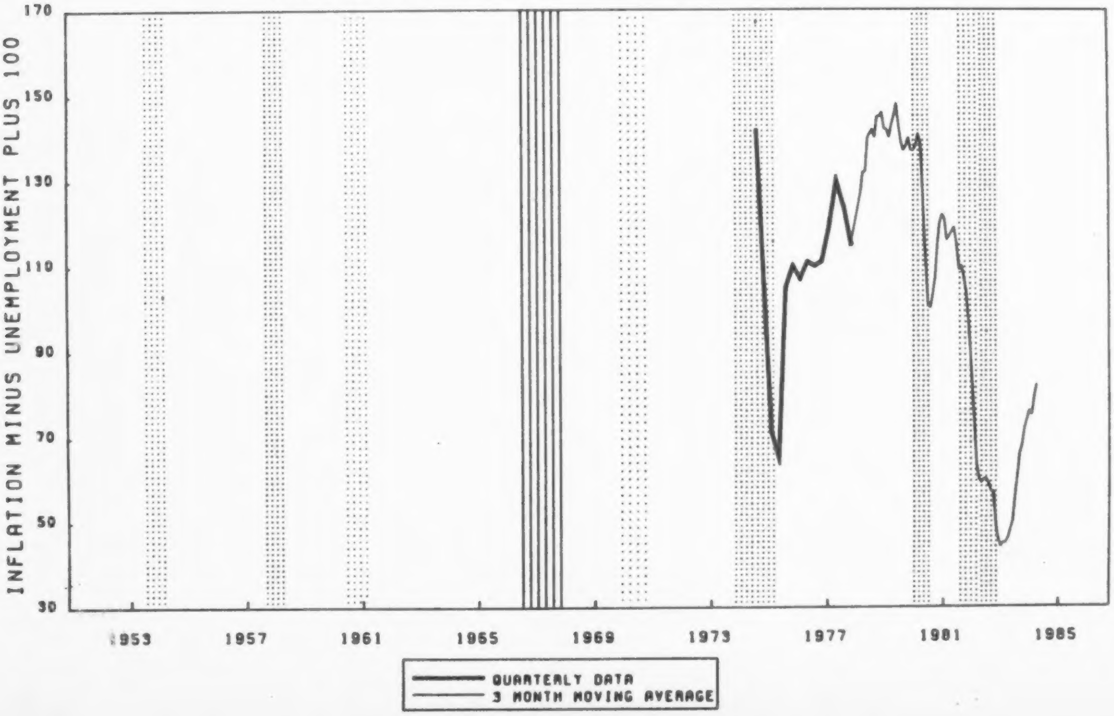


CHART 24 - HISTORICAL SERIES
UNEMPLOYMENT OR INFLATION MORE SERIOUS



## TABLE 24

## UNEMPLOYMENT OR INFLATION MORE SERIOUS ECONOMIC HARDSHIP

| | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| UNEMPLOYMENT | 73% | 71% | 70% | 63% | 65% | 62% | 61% | 57% | 59% | 58% | 59% | 52% | 53% |
| BOTH EQUALLY SERIOUS | 6 | 6 | 7 | 6 | 5 | 8 | 5 | 7 | 6 | 4 | 5 | 7 | 7 |
| INFLATION | 20 | 22 | 22 | 29 | 29 | 29 | 33 | 33 | 33 | 35 | 33 | 38 | 38 |
| DK,NA | 1 | 1 | 1 | 2 | 1 | 1 | 1 | 3 | 2 | 3 | 3 | 3 | 2 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 |

The question was: "Which of the two problems--unemployment or inflation--do you think will cause the more serious economic hardship for people during the next year or so?"

CHART 25 - RECENT CHANGES
OPINIONS ABOUT THE GOVERNMENT'S ECONOMIC POLICY

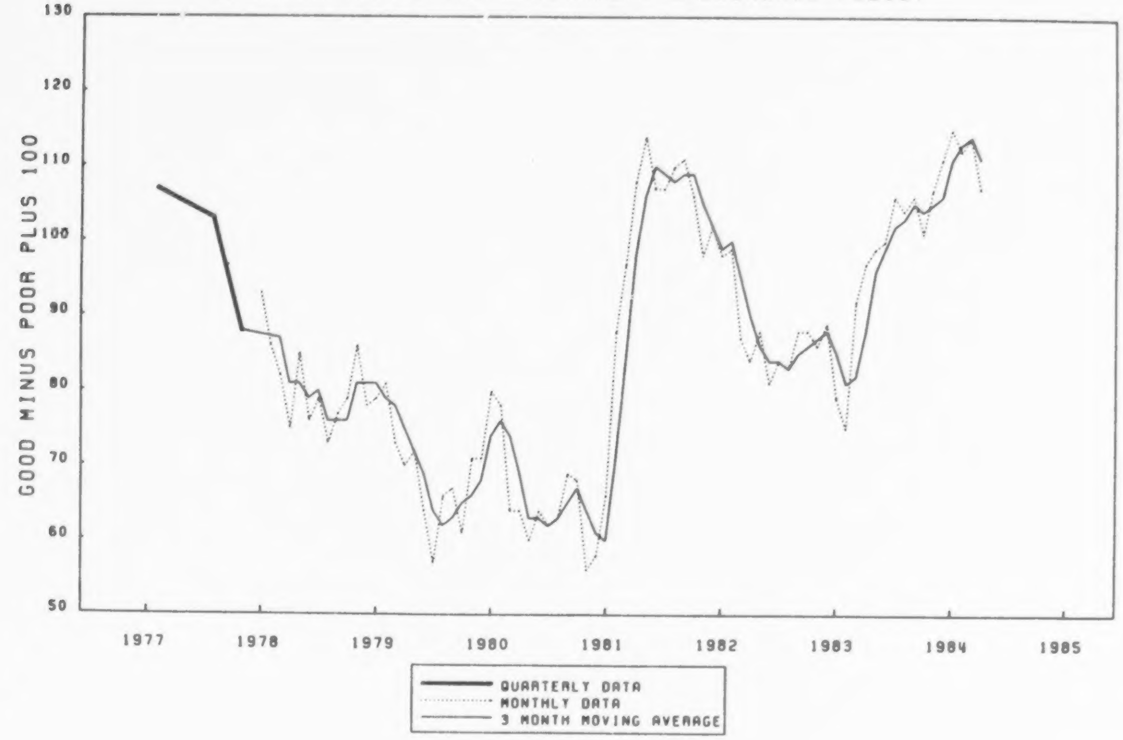
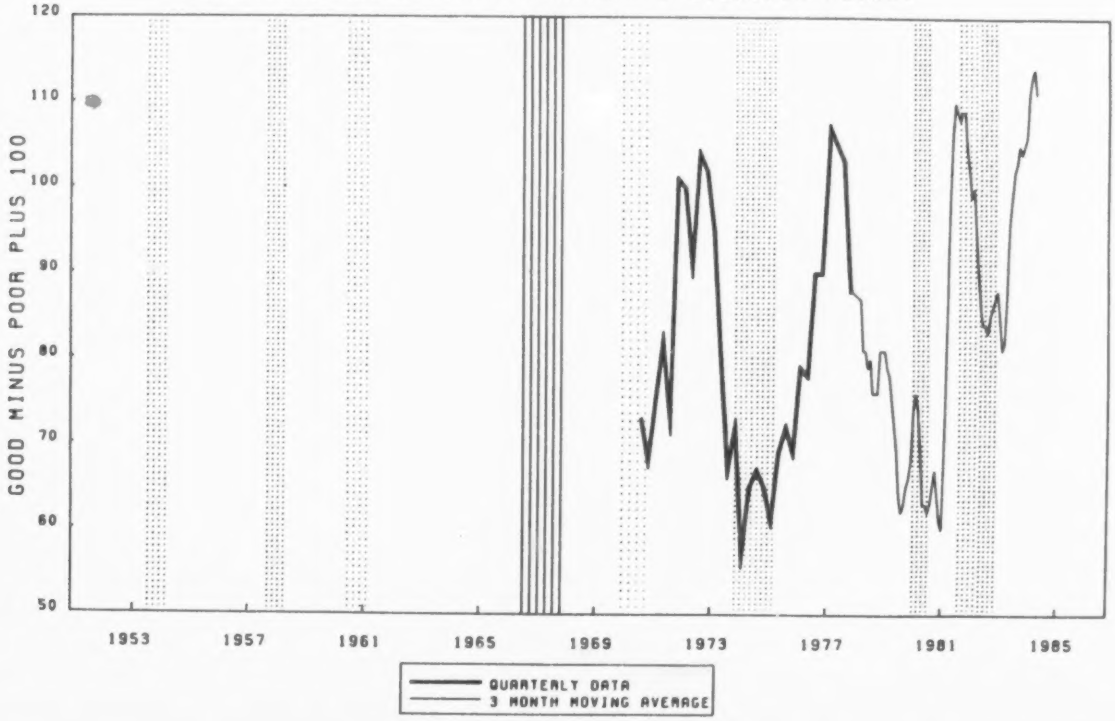


CHART 25 - HISTORICAL SERIES
OPINIONS ABOUT THE GOVERNMENT'S ECONOMIC POLICY



## TABLE 25

## OPINIONS ABOUT THE GOVERNMENT'S ECONOMIC POLICY

| | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| A GOOD JOB | 21% | 20% | 23% | 27% | 27% | 27% | 25% | 27% | 29% | 31% | 32% | 33% | 27% |
| ONLY FAIR | 53 | 57 | 52 | 51 | 48 | 50 | 50 | 49 | 51 | 52 | 45 | 47 | 50 |
| A POOR JOB | 24 | 21 | 23 | 21 | 23 | 21 | 24 | 20 | 18 | 16 | 20 | 19 | 20 |
| DK,NA | 2 | 2 | 2 | 1 | 2 | 2 | 1 | 4 | 2 | 1 | 3 | 1 | 3 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 |

The question was: "As to the economic policy of the government--I mean steps taken to fight inflation or unemployment--would you say the government is doing a good job, only fair, or a poor job?"

CHART 26 - RECENT CHANGES
BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS

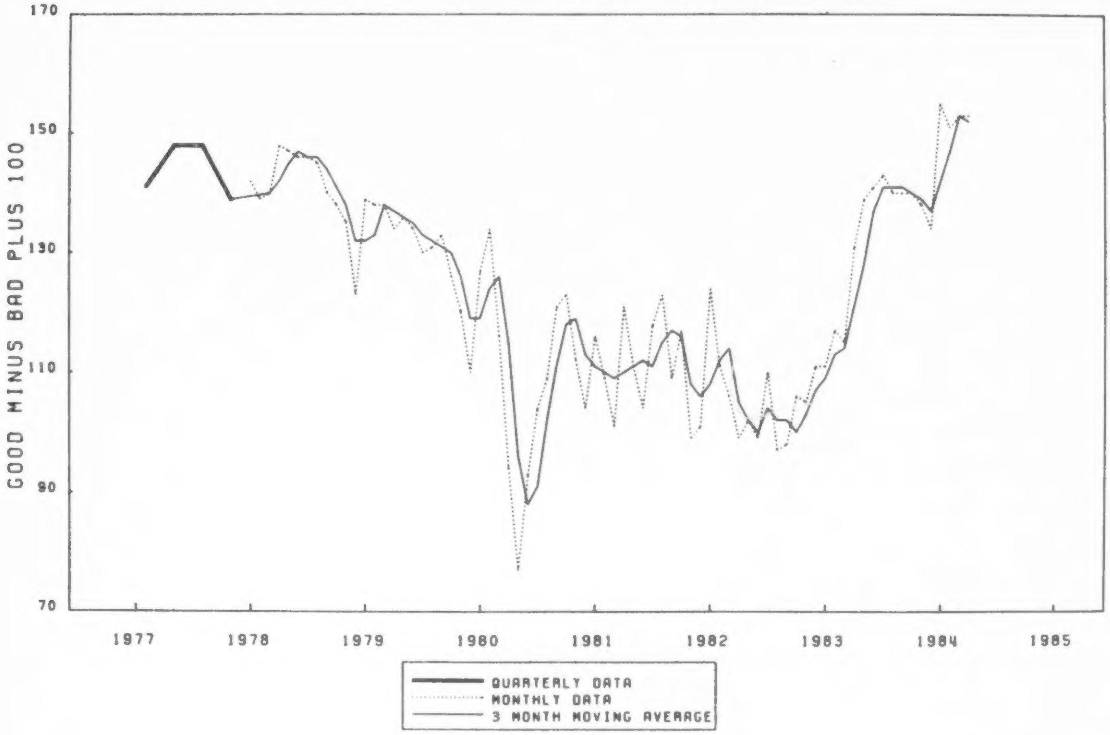
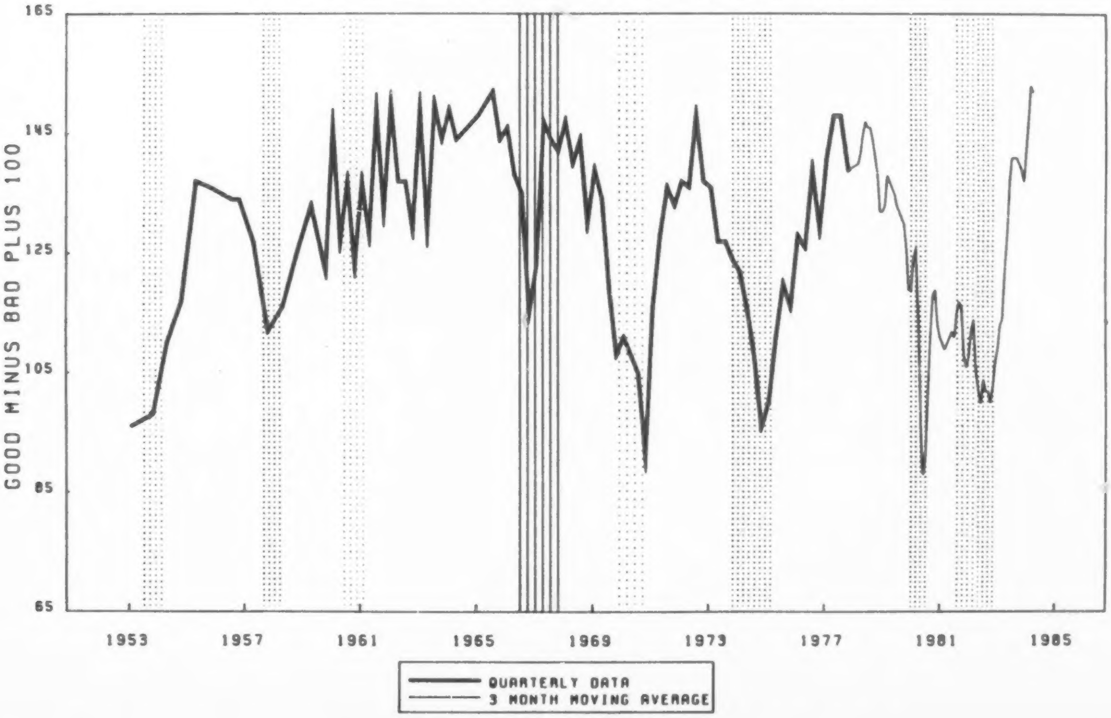


CHART 26 - HISTORICAL SERIES
BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS



## TABLE 26

## BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS

| | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| GOOD TIME TO BUY | 61% | 67% | 66% | 67% | 64% | 66% | 65% | 64% | 61% | 73% | 70% | 72% | 72% |
| UNCERTAIN, DEPENDS | 9 | 5 | 9 | 9 | 12 | 8 | 10 | 10 | 12 | 9 | 11 | 9 | 9 |
| BAD TIME TO BUY | 30 | 28 | 25 | 24 | 24 | 26 | 25 | 26 | 27 | 18 | 19 | 19 | 19 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 |

The question was: "About the big things people buy for their homes--such as furniture, a refrigerator, stove, television, and things like that. Generally speaking, do you think now is a good or a bad time for people to buy major household items?"

CHART 27A - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR DURABLES

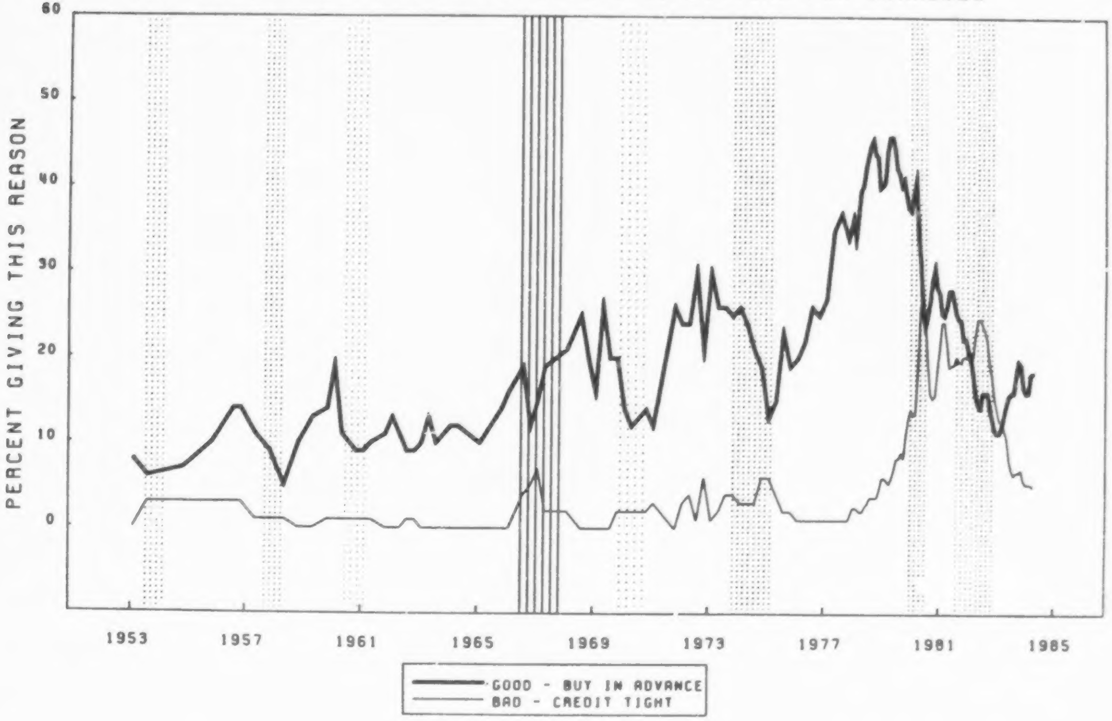
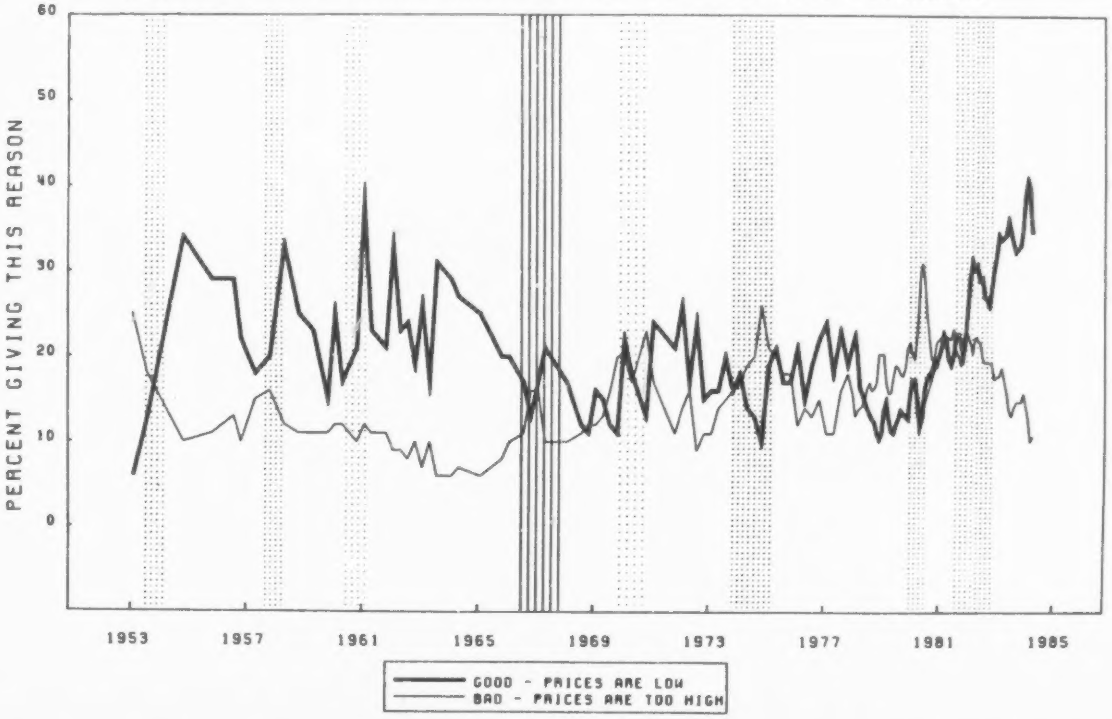


CHART 27B - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR DURABLES



## TABLE 27

## SELECTED REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS +

| | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| GOOD TIME TO BUY: | | | | | | | | | | | | | |
| Prices are low; good buys available | 36% | 37% | 35% | 32% | 33% | 32% | 33% | 34% | 38% | 45% | 39% | 35% | 30% |
| Prices won't come down; are going higher | 15 | 17 | 15 | 16 | 17 | 21 | 21 | 16 | 13 | 19 | 16 | 19 | 20 |
| Interest rates low; credit is easy | 14 | 13 | 16 | 13 | 12 | 12 | 7 | 8 | 7 | 9 | 11 | 10 | 14 |
| BAD TIME TO BUY: | | | | | | | | | | | | | |
| Prices are high | 16 | 12 | 13 | 14 | 15 | 15 | 14 | 15 | 18 | 10 | 10 | 10 | 12 |
| Interest rates are high; credit is tight | 11 | 8 | 6 | 7 | 6 | 7 | 7 | 7 | 3 | 6 | 7 | 3 | 5 |
| Lack of purchasing power | 15 | 16 | 12 | 9 | 11 | 11 | 12 | 8 | 10 | 7 | 7 | 9 | 6 |

Responses to the query: "Why do you say so?" following the question on Table 26.

+ : May add to more than 100% due to multiple mentions.

CHART 28 - RECENT CHANGES
BUYING CONDITIONS FOR HOUSES

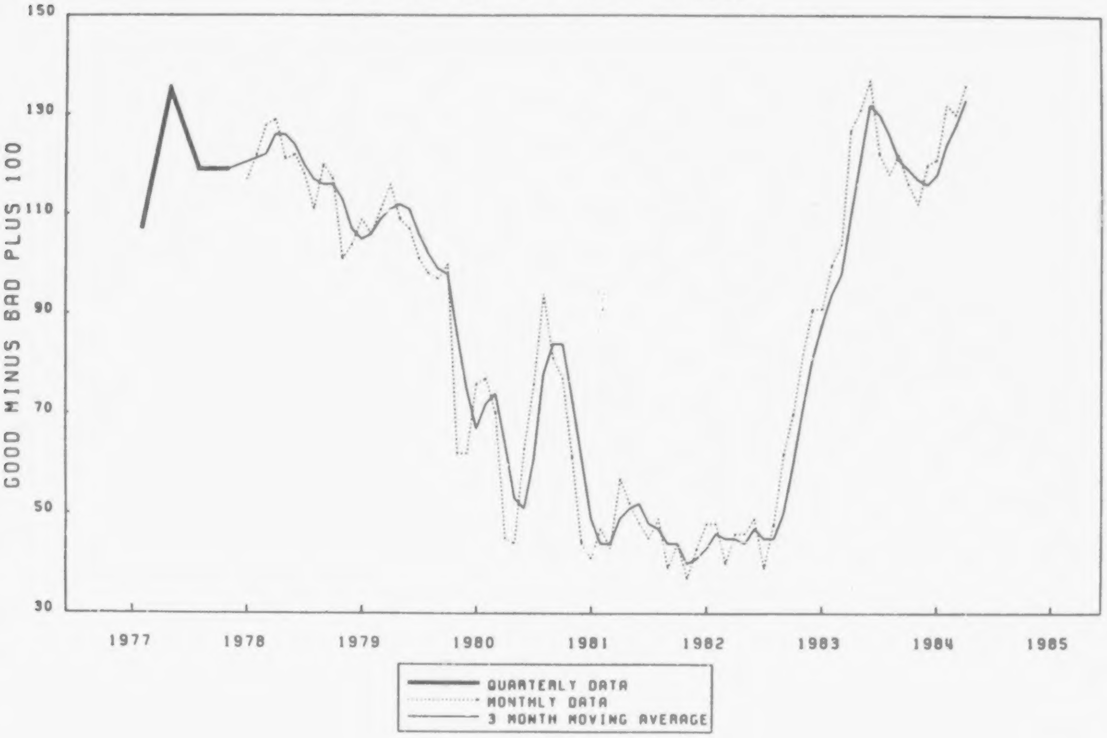
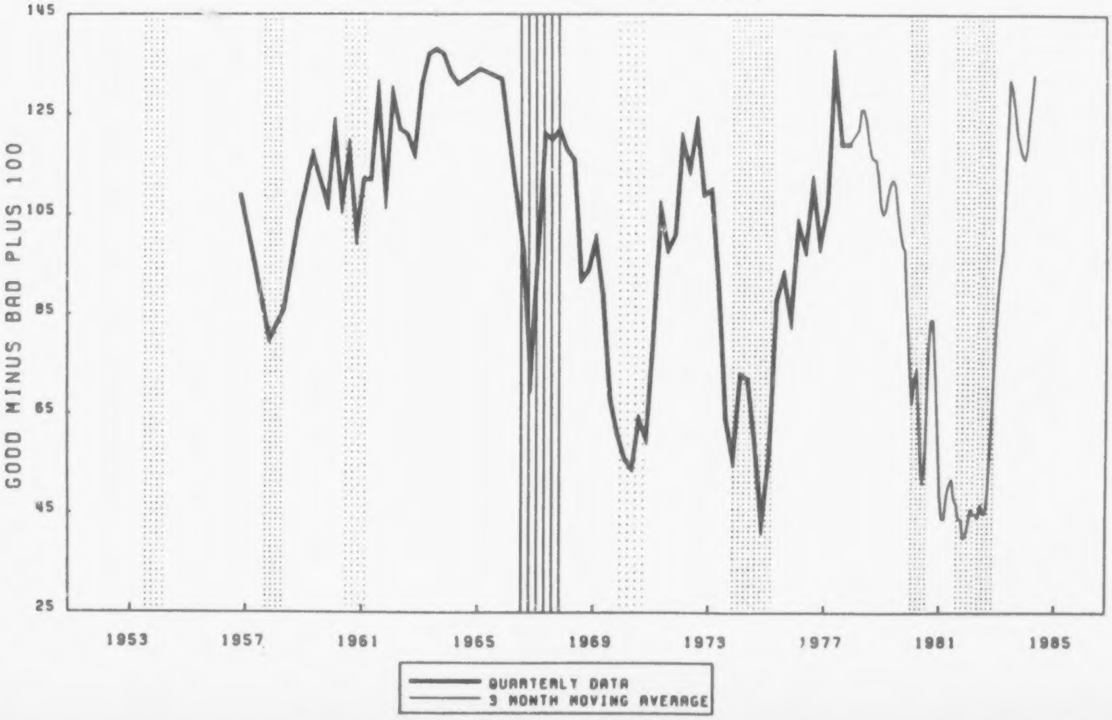


CHART 28 - HISTORICAL SERIES
BUYING CONDITIONS FOR HOUSES



## TABLE 28

## BUYING CONDITIONS FOR HOUSES

| | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| GOOD TIME TO BUY | 61% | 64% | 66% | 59% | 57% | 59% | 55% | 53% | 57% | 59% | 63% | 62% | 66% |
| UNCERTAIN, DEPENDS | 5 | 3 | 5 | 4 | 4 | 4 | 6 | 6 | 6 | 3 | 6 | 6 | 4 |
| BAD TIME TO BUY | 34 | 33 | 29 | 37 | 39 | 37 | 39 | 41 | 37 | 38 | 31 | 32 | 30 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 |

The question was: "Generally speaking, do you think now is a good time or a bad time to buy a house?"

CHART 29A - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR HOUSES

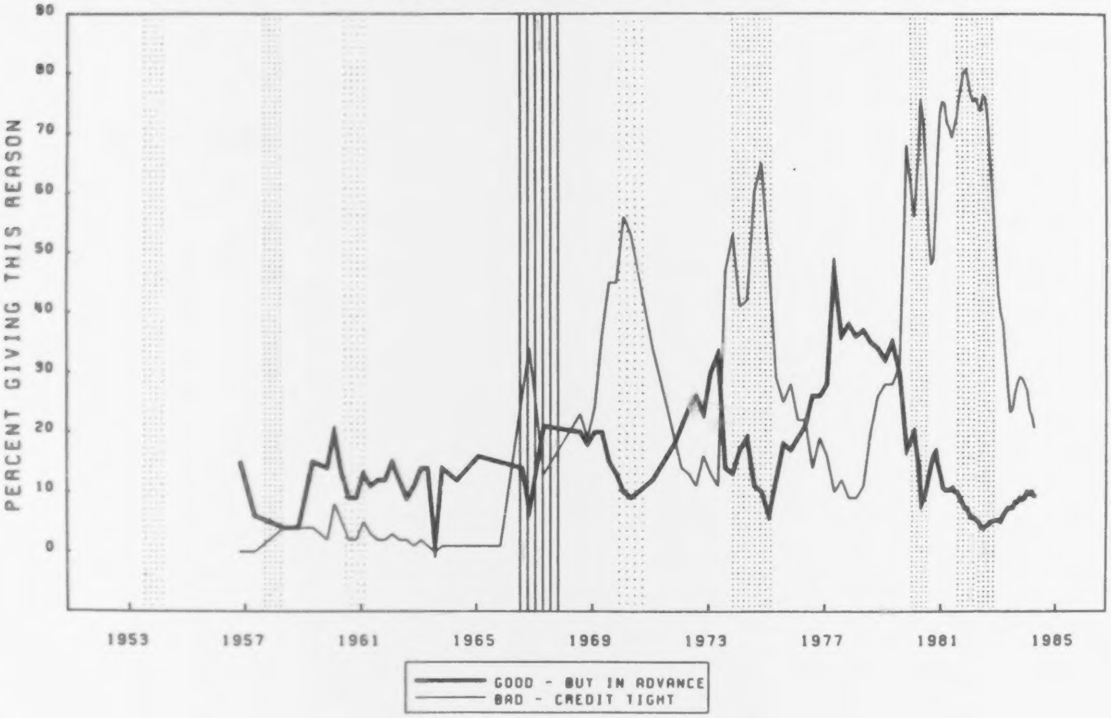
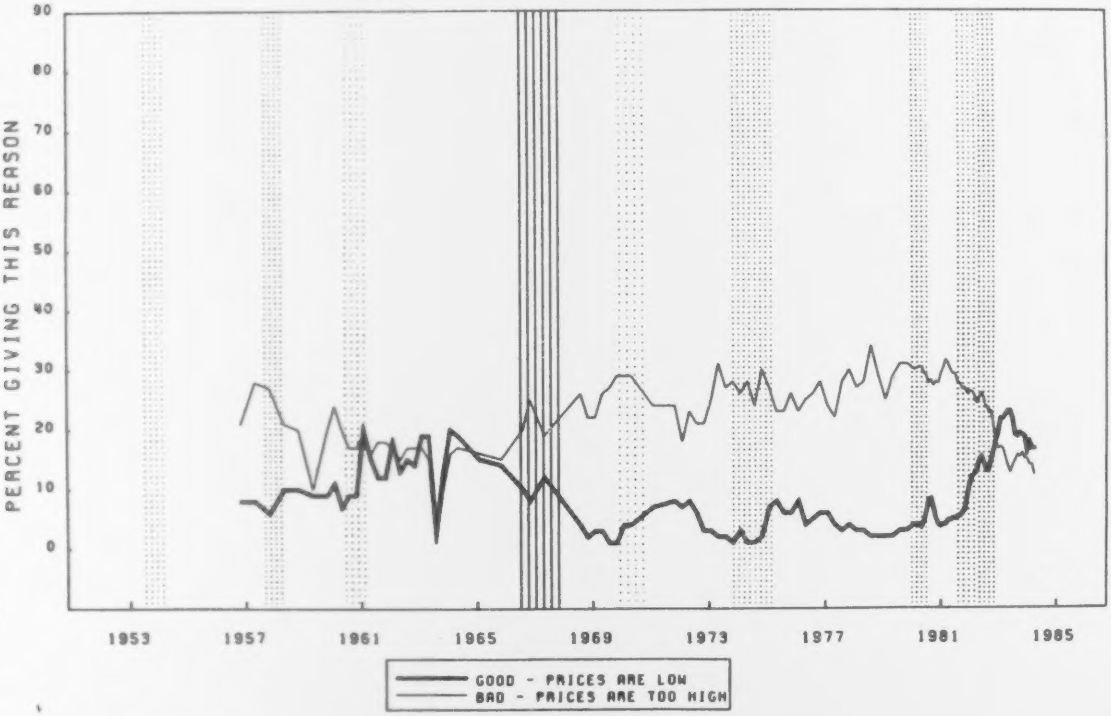


CHART 29B - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR HOUSES



## TABLE 29

## SELECTED REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR HOUSES +

| | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| GOOD TIME TO BUY: | | | | | | | | | | | | | |
| Prices are low; good buys available | 24% | 25% | 20% | 20% | 17% | 19% | 22% | 16% | 18% | 15% | 20% | 15% | 15% |
| Prices won't come down; are going higher | 7 | 7 | 8 | 7 | 10 | 8 | 9 | 9 | 9 | 12 | 8 | 10 | 10 |
| Interest rates low; credit is easy | 54 | 57 | 61 | 49 | 44 | 47 | 38 | 40 | 41 | 41 | 50 | 49 | 52 |
| Good investment | 5 | 4 | 7 | 5 | 8 | 6 | 8 | 5 | 6 | 8 | 6 | 8 | 6 |
| BAD TIME TO BUY: | | | | | | | | | | | | | |
| Prices are high | 13 | 12 | 13 | 17 | 14 | 16 | 16 | 16 | 13 | 16 | 13 | 13 | 11 |
| Interest rates are high; credit is tight | 24 | 23 | 23 | 26 | 31 | 28 | 29 | 30 | 25 | 26 | 20 | 22 | 20 |
| Lack of purchasing power | 14 | 16 | 11 | 12 | 14 | 14 | 15 | 16 | 13 | 12 | 10 | 11 | 10 |

Responses to the query: "Why do you say so?" following the question on Table 28.

+ : May add to more than 100% due to multiple mentions.

CHART 30 - RECENT CHANGES
BUYING CONDITIONS FOR CARS

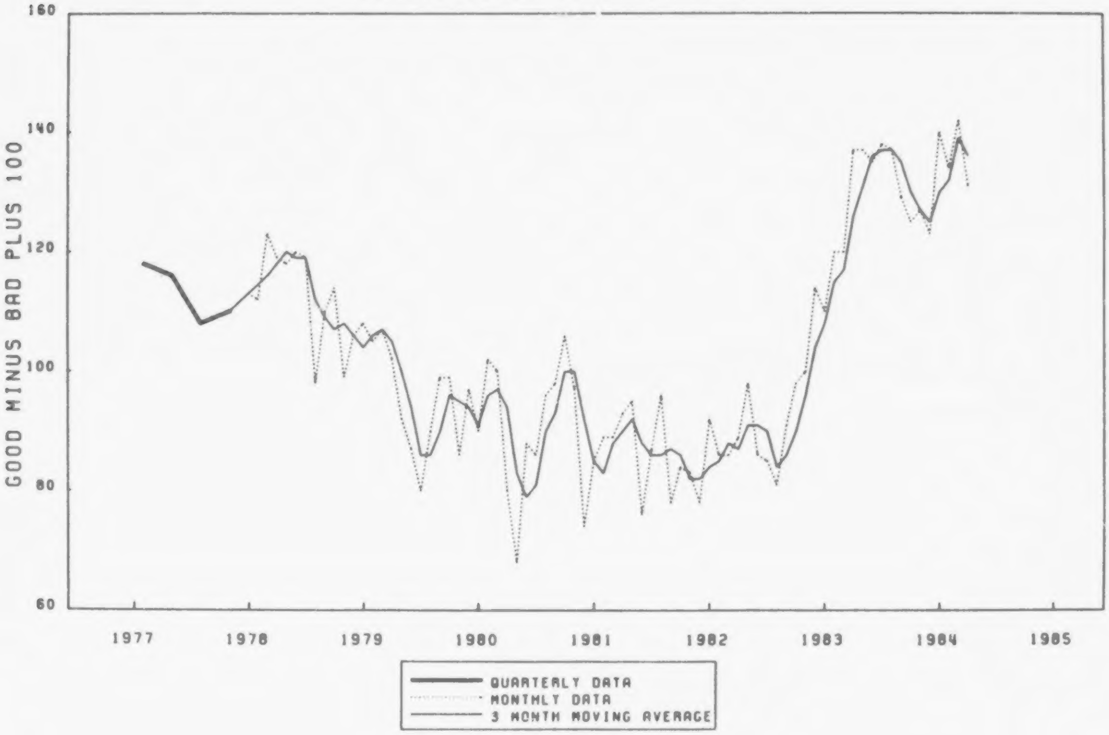
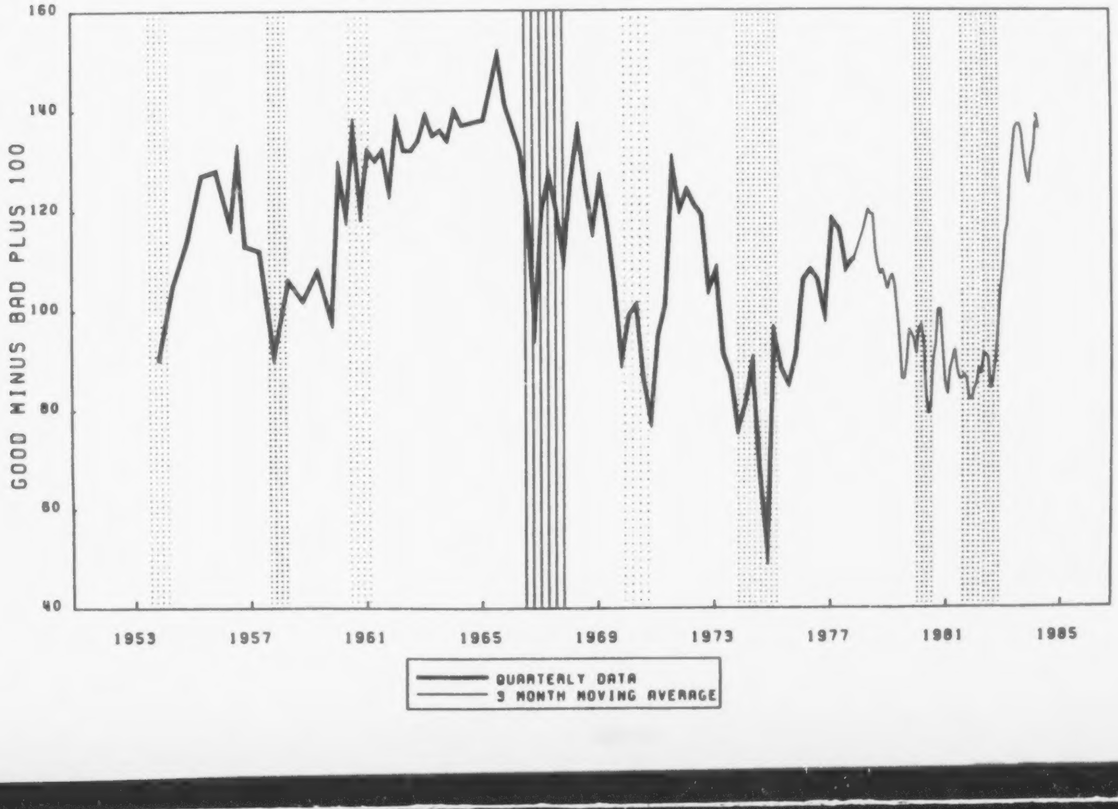


CHART 30 - HISTORICAL SERIES
BUYING CONDITIONS FOR CARS



## TABLE 30

## BUYING CONDITIONS FOR CARS

| | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| GOOD TIME TO BUY | 66% | 66% | 63% | 65% | 65% | 61% | 59% | 59% | 56% | 64% | 62% | 66% | 60% |
| UNCERTAIN; DEPENDS | 5 | 5 | 9 | 8 | 7 | 7 | 7 | 9 | 11 | 12 | 10 | 10 | 11 |
| BAD TIME TO BUY | 29 | 29 | 28 | 27 | 28 | 32 | 34 | 32 | 33 | 24 | 28 | 24 | 29 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 |

The question was: "Speaking now of the automobile market--do you think the next 12 months or so will be a good time or a bad time to buy a car?"

CHART 31A - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR CARS

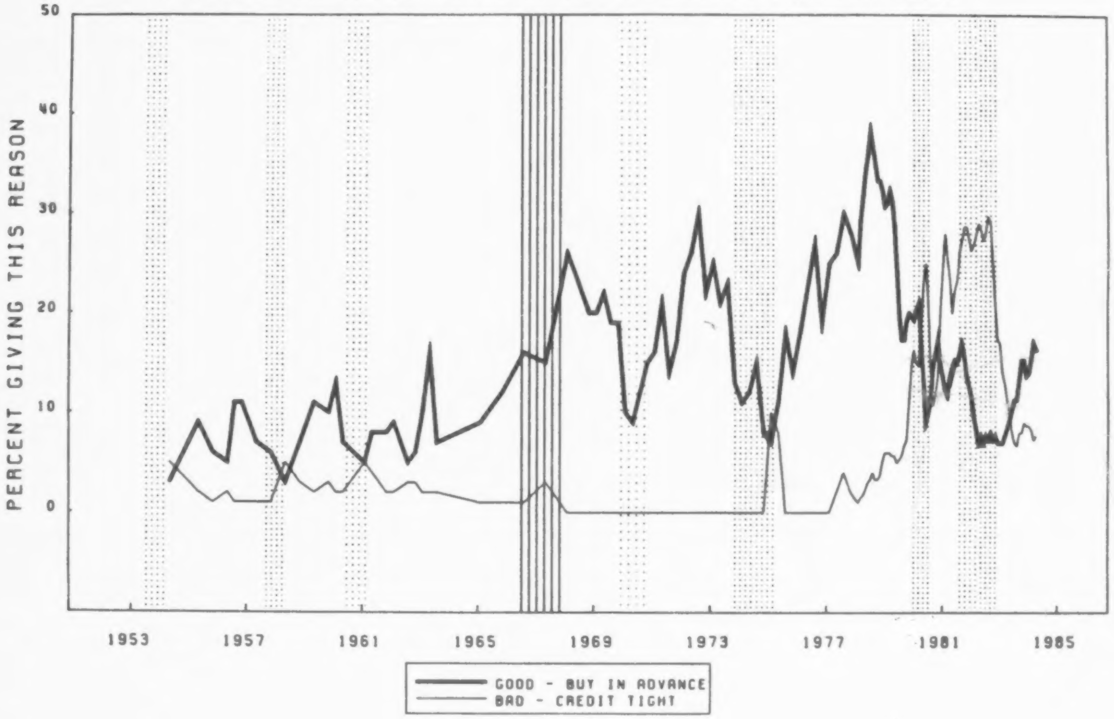
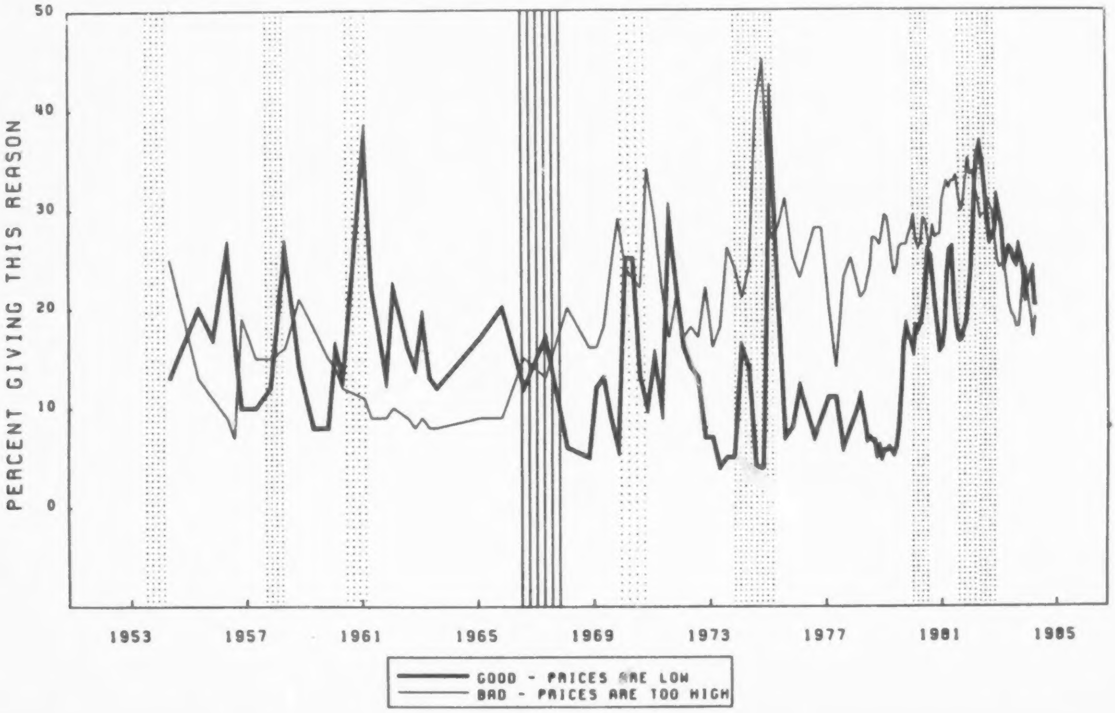


CHART 31B - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR CARS



## TABLE 31

## SELECTED REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR CARS +

| | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| GOOD TIME TO BUY: | | | | | | | | | | | | | |
| Prices are low; good buys available | 28% | 26% | 23% | 25% | 25% | 28% | 22% | 21% | 21% | 26% | 22% | 23% | 16% |
| Prices won't come down; are going higher | 8 | 12 | 11 | 11 | 12 | 17 | 17 | 12 | 12 | 18 | 16 | 17 | 16 |
| Interest rates low; credit is easy | 40 | 40 | 40 | 37 | 33 | 28 | 19 | 22 | 19 | 23 | 22 | 22 | 22 |
| New fuel efficient models | 2 | * | 1 | 2 | 1 | 2 | 2 | 2 | 2 | 1 | 2 | 1 | 1 |
| BAD TIME TO BUY: | | | | | | | | | | | | | |
| Prices are high | 19 | 19 | 20 | 18 | 16 | 20 | 25 | 23 | 24 | 16 | 18 | 17 | 22 |
| Interest rates are high; credit is tight | 11 | 7 | 6 | 8 | 6 | 10 | 8 | 9 | 9 | 8 | 8 | 6 | 9 |
| Lack of purchasing power | 7 | 7 | 7 | 7 | 9 | 6 | 8 | 6 | 5 | 3 | 5 | 5 | 4 |
| Price of gas; shortages | * | 1 | 1 | * | 1 | * | * | * | * | * | * | 1 | * |
| Poor selection; quality | 5 | 5 | 6 | 5 | 4 | 4 | 6 | 6 | 5 | 5 | 4 | 4 | 6 |

Responses to the query: "Why do you say so?" following the question on Table 30.

+ : May add to more than 100% due to multiple mentions.

* : Less than half of one percent.

CHART 32 - RECENT CHANGES
PLANS TO PURCHASE AN AUTOMOBILE DURING THE NEXT 12 MONTHS

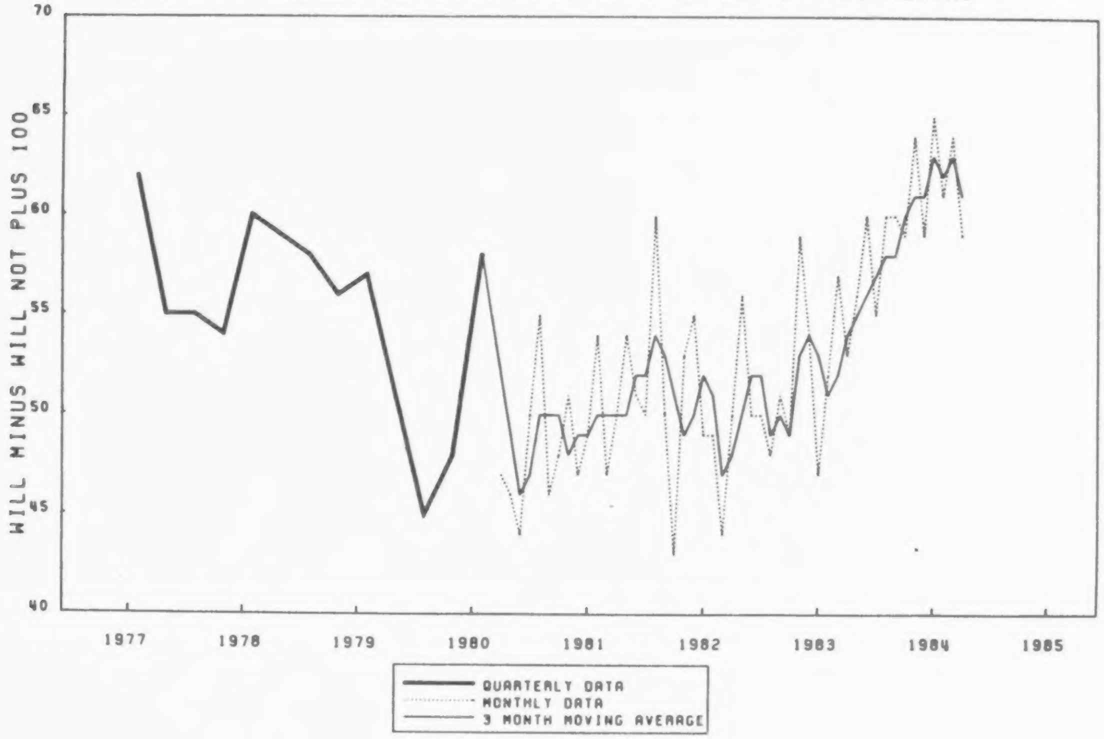
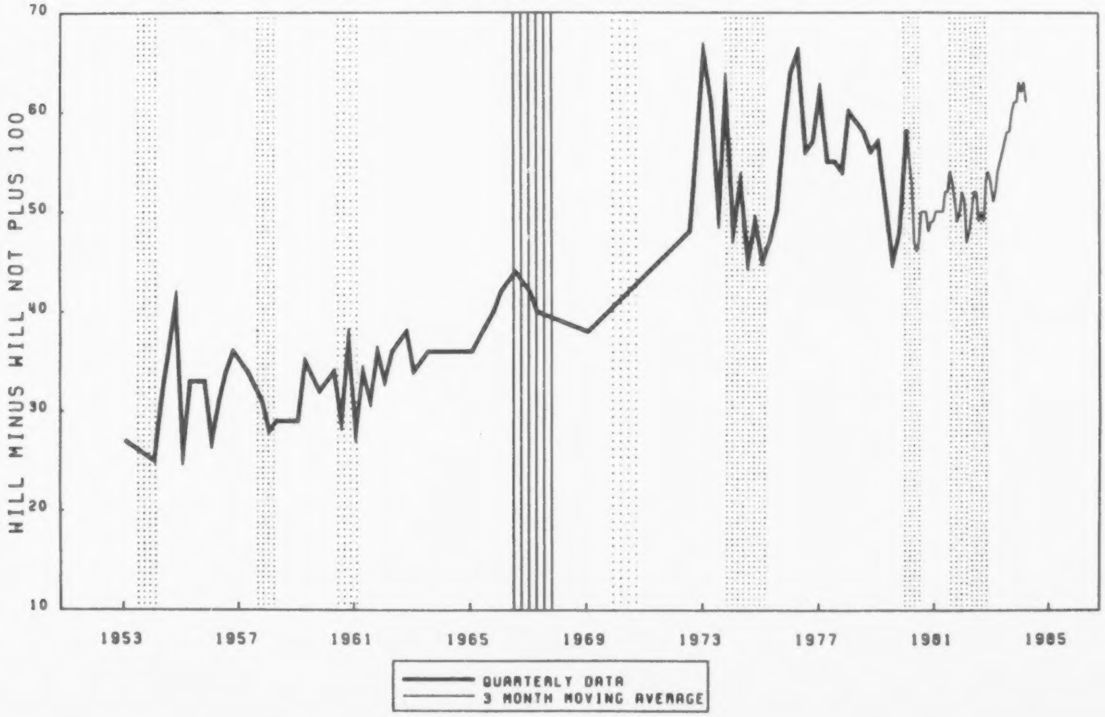


CHART 32 - HISTORICAL SERIES
PLANS TO PURCHASE AN AUTOMOBILE DURING THE NEXT 12 MONTHS



## TABLE 32

## PLANS TO PURCHASE AN AUTOMOBILE DURING THE NEXT 12 MONTHS

| | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| PROBABLY WILL BUY | 17% | 17% | 22% | 18% | 21% | 21% | 21% | 22% | 20% | 23% | 21% | 22% | 21% |
| CHANCES ARE EVEN | 9 | 9 | 7 | 6 | 7 | 9 | 8 | 9 | 8 | 7 | 9 | 12 | 6 |
| PROBABLY WILL NOT BUY | 64 | 61 | 62 | 63 | 61 | 61 | 62 | 58 | 61 | 58 | 60 | 58 | 62 |
| DK,NA | 10 | 13 | 9 | 13 | 11 | 9 | 9 | 11 | 11 | 12 | 10 | 8 | 11 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 707 | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 |

The question was: "What do you think are the chances that you (or anyone else in your family living there) will buy or lease a car during the next 12 months--would you say you probably will, probably will not, or are the chances about even, or what?"

## TABLE 33

## CURRENT VEHICLE PURCHASE INTENTIONS

| | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| PROPORTION WITH CURRENT PURCHASE INTENTIONS: | 26% | 26% | 29% | 24% | 28% | 30% | 29% | 31% | 28% | 30% | 30% | 34% | 27% |
| PURCHASE TYPE: | | | | | | | | | | | | | |
| Buy new | 14 | 12 | 13 | 11 | 15 | 13 | 17 | 17 | 16 | 15 | 14 | 16 | 13 |
| Buy used | 11 | 11 | 13 | 11 | 11 | 14 | 9 | 12 | 9 | 13 | 13 | 17 | 12 |
| Lease | * | 2 | 2 | 1 | 1 | 1 | 2 | 1 | 2 | 1 | 2 | 1 | 1 |
| DK,NA | 1 | 1 | 1 | 1 | 1 | 2 | 1 | 1 | 1 | 1 | 1 | * | 1 |
| PURCHASE TIMING: | | | | | | | | | | | | | |
| Next 3 months | 6 | 2 | 1 | 4 | 5 | 2 | 6 | 4 | 2 | 5 | 3 | 2 | 7 |
| Next 4-6 months | 6 | 7 | 10 | 6 | 4 | 7 | 8 | 5 | 4 | 10 | 7 | 10 | 6 |
| Next 7-9 months | 7 | 8 | 8 | 3 | 5 | 5 | 8 | 9 | 10 | 7 | 8 | 8 | 6 |
| 10 months or more | 2 | 4 | 4 | 6 | 7 | 9 | 4 | 8 | 8 | 4 | 5 | 8 | 4 |
| DK,NA | 5 | 5 | 6 | 5 | 7 | 7 | 3 | 5 | 4 | 4 | 7 | 6 | 4 |

If response was "PROBABLY WILL BUY" or "CHANCES ARE EVEN" in Table 32, then the questions were: "If you do buy or lease a car, would it be a new car, or a used car?" , "Would you buy or lease?" and "When do you think you might buy or lease a car?"

* : Less than half of one percent.

## TABLE 34

## FUTURE VEHICLE PURCHASE INTENTIONS

| | Apr. 1983 | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| PROPORTION WITH FUTURE PURCHASE INTENTIONS: | 64% | 61% | 62% | 63% | 61% | 61% | 62% | 58% | 61% | 58% | 60% | 58% | 62% |
| PURCHASE TYPE: | | | | | | | | | | | | | |
| Would buy new | 38 | 36 | 37 | 37 | 33 | 33 | 33 | 36 | 36 | 36 | 32 | 32 | 34 |
| Would buy used | 25 | 24 | 24 | 24 | 27 | 27 | 29 | 21 | 24 | 21 | 26 | 25 | 27 |
| DK,NA | 1 | 1 | 1 | 2 | 1 | 1 | * | 1 | 1 | 1 | 2 | 1 | 1 |
| PURCHASE TIMING: | | | | | | | | | | | | | |
| Less than 2 years | 8 | 7 | 6 | 8 | 6 | 8 | 6 | 5 | 7 | 5 | 8 | 7 | 10 |
| 2 years | 22 | 24 | 20 | 23 | 21 | 22 | 20 | 19 | 23 | 19 | 20 | 19 | 20 |
| 3 years | 12 | 10 | 10 | 9 | 9 | 10 | 11 | 10 | 9 | 10 | 9 | 9 | 9 |
| 4 years or more | 16 | 18 | 21 | 18 | 18 | 15 | 19 | 18 | 17 | 17 | 17 | 16 | 17 |
| Indefinite | 2 | 1 | 1 | 2 | 2 | 2 | * | 1 | 1 | 2 | 3 | 3 | 1 |
| DK,NA | 4 | 1 | 4 | 3 | 5 | 4 | 6 | 5 | 4 | 5 | 3 | 4 | 5 |

If response was "PROBABLY WILL NOT BUY" in Table 32, then the questions were: "If you were to buy a car, would it be a new car or a used car? and "How long do you think it may be before will buy or lease a car?"

* : Less than half of one percent.

# EXPLANATORY CHARTS

CHART 1 - RECENT CHANGES
THE INDEX OF CONSUMER SENTIMENT

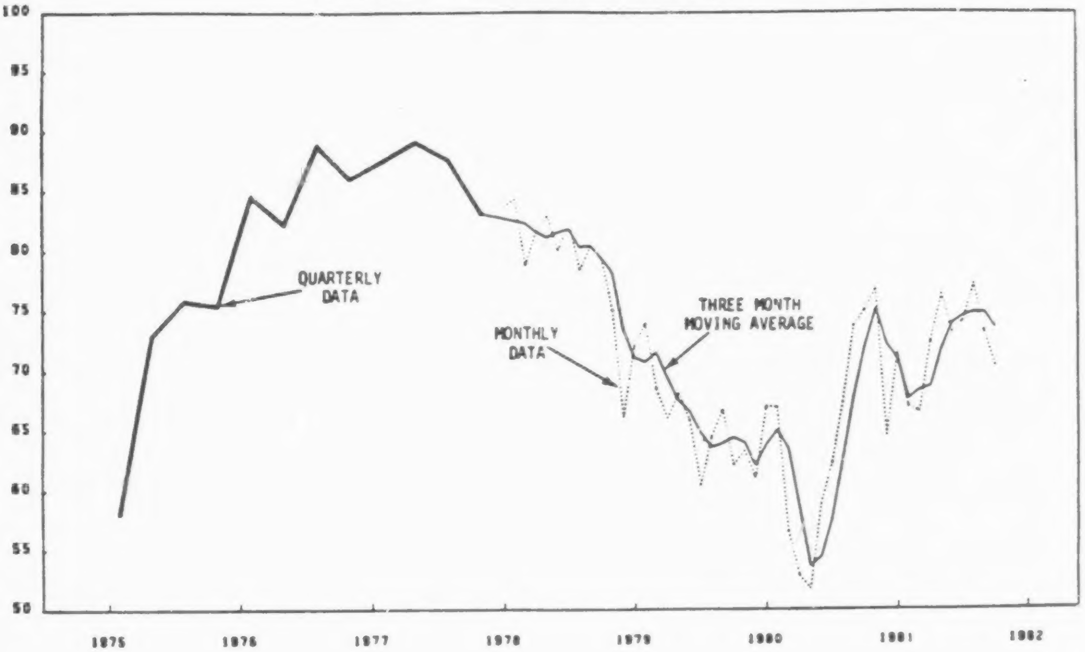
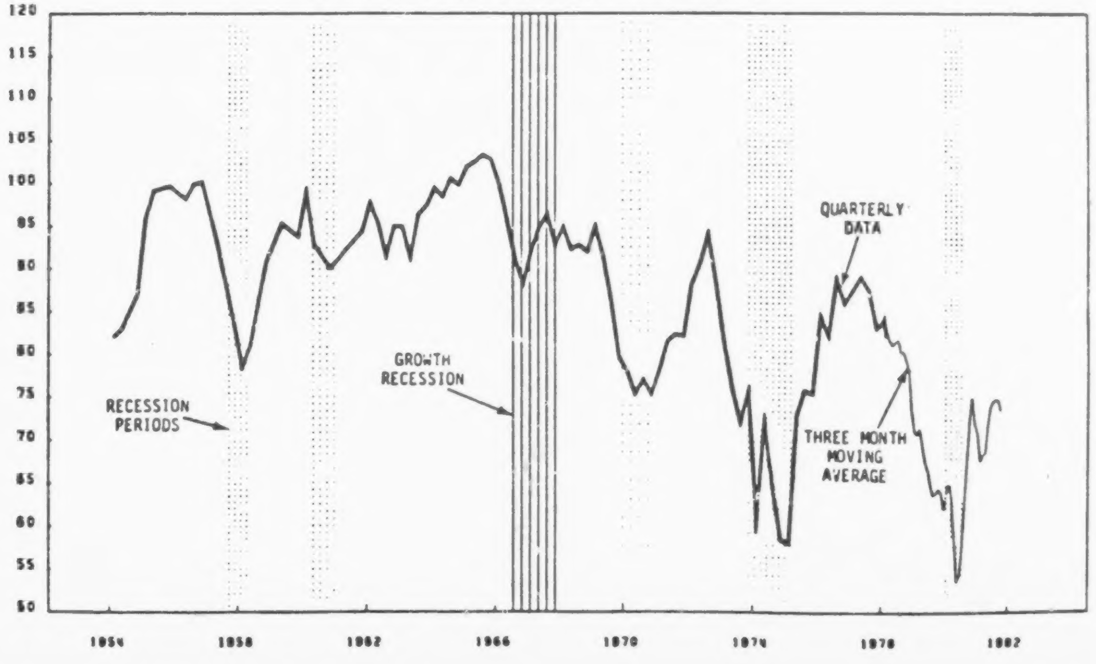


CHART 1 - HISTORICAL SERIES
THE INDEX OF CONSUMER SENTIMENT



## DESCRIPTION OF CHART LINES

QUARTERLY DATA: Data collected by surveys conducted at three-month intervals before 1978.

MONTHLY DATA: Data collected by surveys conducted each month since January of 1978.

THREE-MONTH MOVING AVERAGE: Each point plotted represents the average of the three monthly observations ending at the date plotted.

## TIME SCALE LABELS

Each tic mark on the time scale represents the month of January for the indicated year.

## NATIONAL BUREAU OF ECONOMIC RESEARCH, REFERENCE DATES FOR RECESSIONS

DATES: November 1948 - October 1949
July 1953 - May 1954
August 1957 - April 1958
April 1960 - February 1961
June 1966 - November 1967*
December 1969 - November 1970
November 1973 - March 1975
January 1980 - July 1980
July 1981 - November 1982

Notes:

RECESSION PERIOD: Reduction in the national output of goods and services, generally lasting at least two quarters.

*GROWTH RECESSION: Retardation in the rate of growth of output and employment (usually followed by a recession and always the initial stage of a recession).

## APPROXIMATE SAMPLING ERRORS[a] OF SURVEY FINDINGS

(In percentages by size of sample or subgroup)

| Reported Percentages | Number of Interviews | | |
|---|---|---|---|
| | 700[b] | 1,400[c] | 2,100[d] |
| 50 | 4.2 | 3.2 | 2.8 |
| 30 or 70 | 3.8 | 2.9 | 2.5 |
| 20 or 80 | 3.4 | 2.6 | 2.2 |
| 10 or 90 | 2.5 | 1.9 | 1.6 |
| 5 or 95 | 1.8 | 1.4 | 1.2 |

---

[a] The figures in this table represent two standard errors. Hence, for most items the chances are 95 in 100 that the value being estimated lies within a range equal to the reported percentages, plus or minus the sampling error.

[b] Average size of monthly surveys.

[c] Average size of two monthly surveys.

[d] Average size of three monthly surveys (one quarter).

5/15/84 U7475-2 A

# Surveys of Consumer Attitudes

Richard T. Curtin, *Director*

## INTEREST RATE CONCERNS MOUNT

** In the April 1984 survey, the Index of Consumer Sentiment was 96.1, down from the cyclical peak of 101.0 recorded in March, and above the year earlier figure of 89.1. Even with this small decline, each survey conducted thus far in 1984 has recorded a higher level of consumer sentiment than at any other time during the past decade. Greatly heightened concern with interest rate trends was the primary reason for the recent small decline

** Among families with incomes of $25,000 or over, the Index of Consumer Sentiment was 105.5 in April, down from the cyclical peak of 114.2 recorded in March, and above the 99.0 recorded one year earlier.

** The primary reason for the expected slowing of economic growth was higher interest rate expectations. Among all families, two-thirds expected interest rate increases during the year ahead in the April 1984 survey, twice the level recorded three months earlier, and three times the level recorded one year earlier.

** Many fewer favorable developments in the economy were heard and recalled by respondents in the April 1984 survey -- 49 percent, down from 78 percent three months earlier. Fewer consumers expected the economy to continue at its current pace of improvement in the year ahead in April (32 percent) than either three months earlier (46 percent) or one year earlier (53 percent). Although the rate of economic growth is expected to slow, good times financially in the economy as a whole were expected to persist during the next twelve months by the majority of families (63 percent).

** Consumer attitudes toward buying conditions for homes, vehicles, and large household durables each remained at very favorable levels in the April 1984 survey. Attitudes toward current buying conditions for houses regained the cyclical peak first recorded in mid-1983, due largely to heightened concerns over future interest rate increases.

** American Families continue to report favorable developments in their personal financial situation in the April 1984 survey. Among all families, 43 percent reported that their financial situation had improved, just below the cyclical peak of 48 percent recorded in March. Just 13 percent of all families in the April 1984 survey expected their financial situation to worsen during the year ahead.

* * *

The most recent findings indicate that heightened concern with rising interest rates has dimmed prospects for continued rapid economic growth. The appeal of buying-in-advance of rising interest rates has thus far bolstered current buying attitudes, but the appeal is likely to be short-lived with the growing use of variable rate loans.

Monitoring Economic Change Program
Institute for Social Research • P.O. Box 1248 • Ann Arbor, Michigan 48106 • (313) 763-5224

## Interest Rate Increases Reduce Growth Prospects

Interest rates were expected to increase by 68 percent of all families in the April 1984 survey, up from 45 percent one month earlier, and 21 percent one year earlier. Declines in interest rates during the year ahead were expected by just 8 percent of all families in April, down from 34 percent one year earlier. Interest rate expectations held by consumers have shown a close correspondence with actual subsequent changes. Using four-quarter moving averages, the time series correspondence between interest rate expectations lead two quarters and the annual percentage point change in the prime rate is shown in Chart A. The time series correlation was r=0.85.

The expected increases in interest rates have dimmed prospects for further rapid growth in the economy as a whole. The proportion of American families that expected further improvement in the economy during the year ahead fell to 32 percent in April 1984, down from 38 percent one month earlier, and 53 percent one year earlier. Few consumers expected the economy to worsen during the year ahead in the April 1984 survey (14 percent) or one year earlier (7 percent). The majority of consumers expected the economy to be maintained at its current improved level during the year ahead--52 percent in April 1984.

## Favorable Economic Conditions

When respondents were asked to evaluate the level of economic performance, rather than the pace of improvement, prospects over the near and longer term remained favorable. Among all families in the April 1984 survey, 63 percent expected good times financially in the economy as a whole during the next 12 months, down from the cyclical peak of 73 percent recorded in January, but above the 56 percent recorded one year earlier. Prospects for the economy as a whole over the longer term were viewed favorably by 41 percent of all families in the April 1984 survey, down from the cyclical peak of 47 percent recorded in March, and just above the 38 percent recorded one year earlier.

Consumers expected an annual rate of inflation of 5.9% in the April 1984 survey, up from 5.1% one month earlier, and 4.6% one year earlier. The proportion of families that expected prices to remain unchanged or to decline in the April 1984 survey fell to 19 percent from 30 percent one year earlier. The proportion of families that expected price increases of 1-4% rose to 30 from 23 percent during the past year, and the proportion of families that expected price increases of 6% or more rose to 31 from 24 percent. The time-series correspondence of price expectations held by consumers and subsequent changes in the CPI is shown in Chart B. With a lead time of two quarters, the time-series correlation was r=0.92.

Unemployment was expected to decline by 28 percent of all families in the April survey, down from 38 percent one month earlier and 42 percent one year earlier. Although significantly fewer consumers expected further declines in unemployment, only a small increase in the proportion that expected unemployment to increase was recorded during the past year--rising to 18 percent in April 1984 from 15 percent one year earlier. The majority of families in the April 1984 survey (52 percent) expected the current rate of unemployment would remain largely unchanged during the year ahead. The time-series correlation between unemployment expectations lead three quarters and the annual percentage point change in the aggregate unemployment rate was r=0.77 (see Chart C).

## Favorable Buying Attitudes

Consumer attitudes toward buying conditions for homes have remained at or near record favorable levels throughout the past year. In the April 1984 survey, 66 percent of all families favorably rated house buying conditions, up from 62 percent in March, and 61 percent one year earlier. The April figure of 66 percent replicates the June 1983 all-time peak level. The availability of lower mortgage rates was largely responsible for the growth and initial maintenance of favorable home buying attitudes. Recently, however, in reaction to the expected increases in interest rates, more families have been citing the advantage of buying-in-advance of rising interest rates. In the April 1984 and April 1983 surveys, approximately the same overall proportion of families favorably referred to interest rates when asked to explain their views on house buying conditions (52 versus 54 percent). The proportion of families that mentioned the availability of currently low interest rates, however, fell to 30 from 49 percent, while the proportion of families that mentioned the appeal of buying-in-advance of rising interest rates rose to 22 from 5 percent. In contrast, the appeal of buying-in-advance of rising home prices was reported by just 10 percent of all families in the April 1984 survey, up from 7 percent one year earlier.

Favorable attitudes toward market conditions for vehicles were held by 60 percent of all families in the April 1984 survey, just below the all-time record level of 66 percent recorded both one month and one year earlier. The recent small decline was due to less favorable perceptions of market prices for vehicles. Fewer families mentioned the availability of price discounts and rebates in the April 1984 survey (16 percent) than one year earlier (28 percent), or two years earlier (36 percent). Families more frequently mentioned their aversion to high vehicle prices in April 1984 (22 percent) than one year earlier (19 percent), but less frequent than two years earlier (28 percent). Although the appeal of buying in advance of rising interest rates on vehicle loans did increase during the past year, the increase was small, rising to 6 from 2 percent. A larger increase was recorded in references to buying in advance of rising vehicle prices, increasing to 16 from 8 percent.

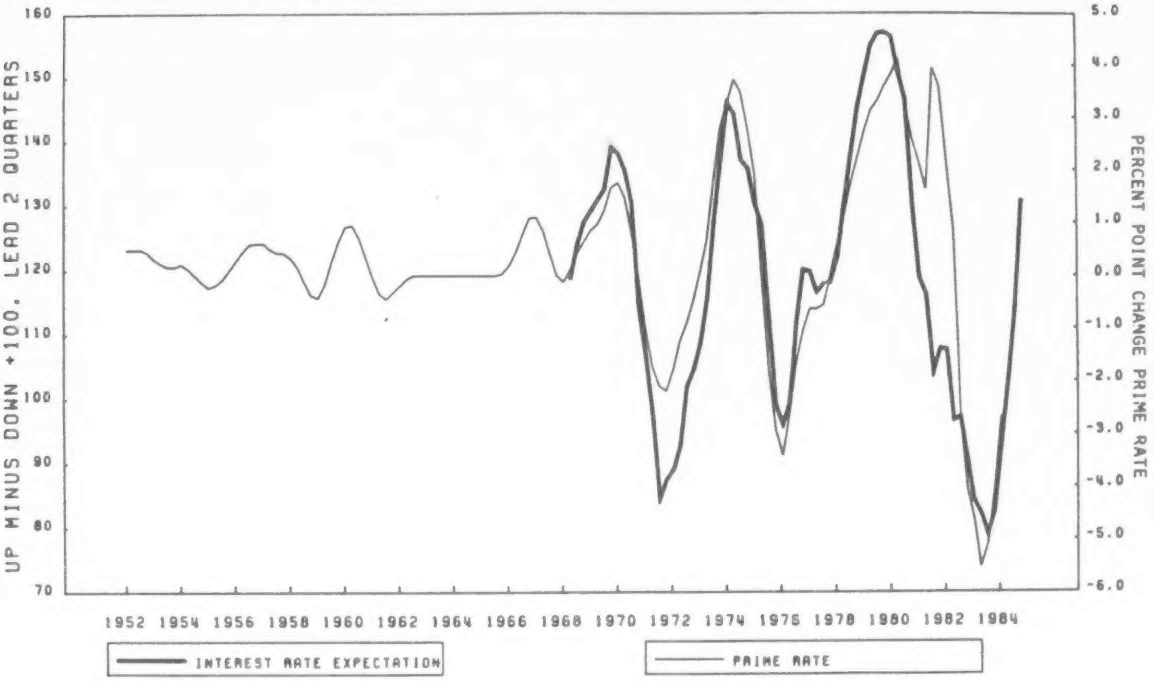
Buying conditions for large household durables were viewed favorably by 72 percent of all families in the April 1984 survey, just below the cyclical peak of 73 percent recorded in January, and above the 61 percent recorded one year earlier. When asked to explain their views on market conditions for durables, fewer consumers mentioned the appeal of low prices in April 1984 than one year earlier (30 versus 36 percent), and fewer consumers complained about high prices (12 versus 16 percent), maintaining a favorable balance of opinion.

* * *

This April 1984 survey was conducted between March 30 and May 1, 1984 and included 705 interviews.

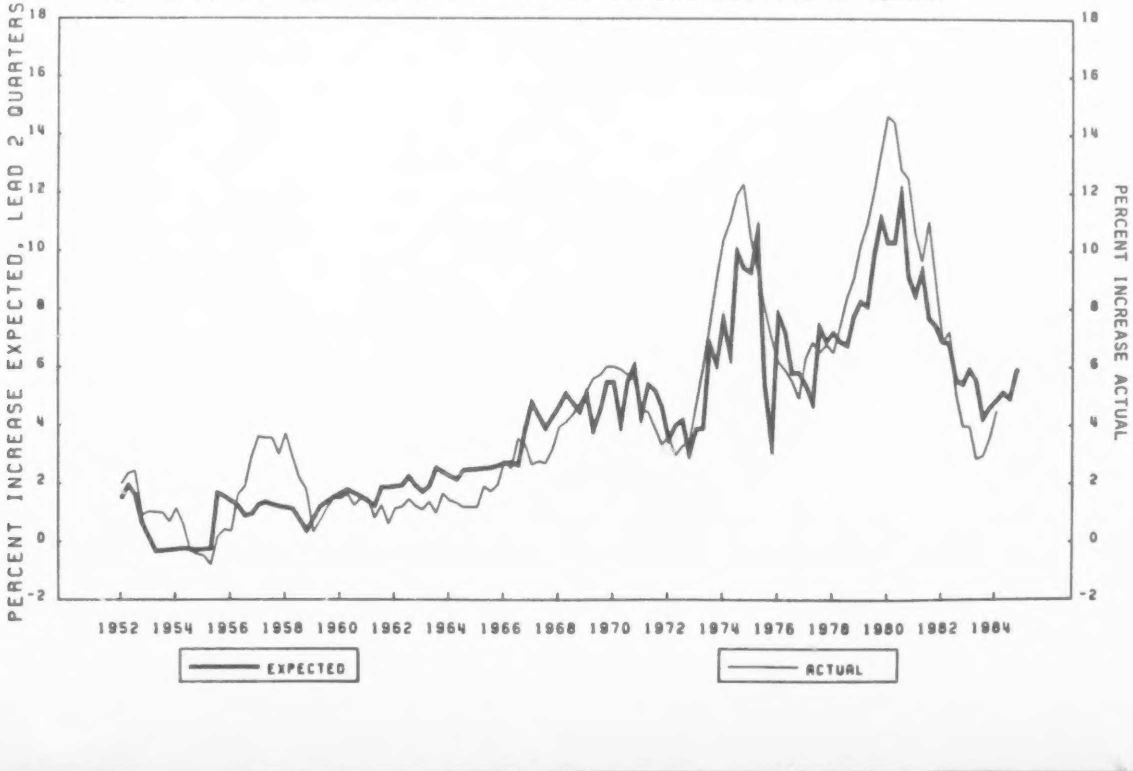
## CHART A

INTEREST RATE EXPECTATIONS AND THE
PERCENTAGE POINT CHANGE IN THE PRIME RATE



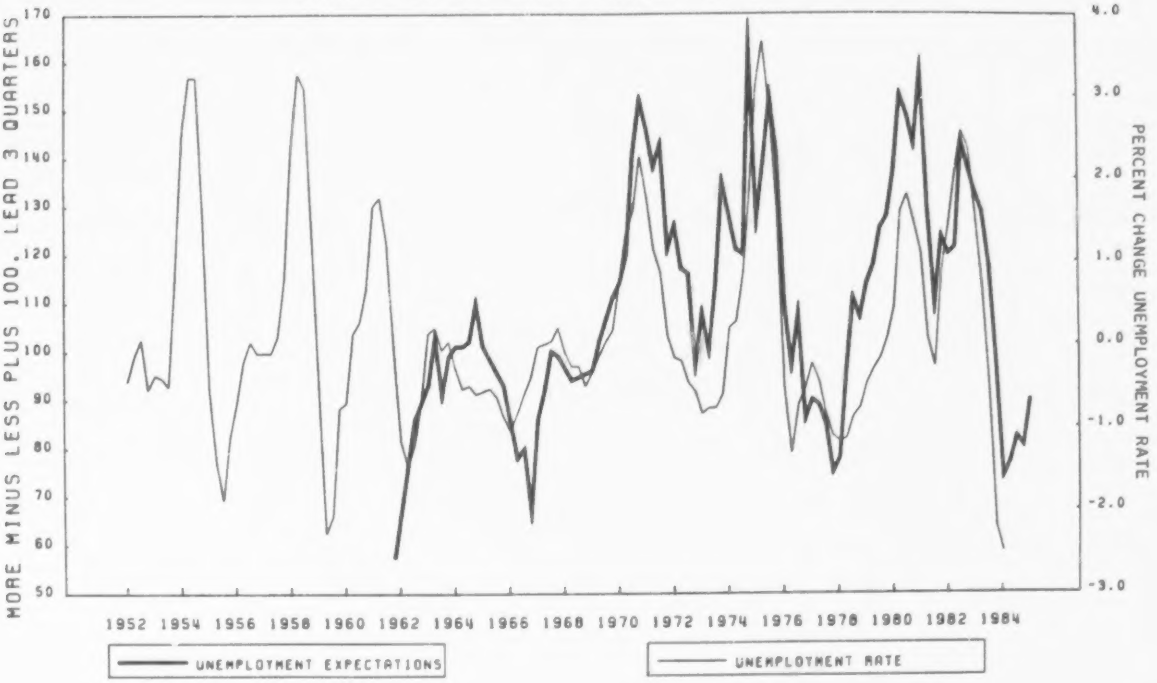
## CHART B

MEAN EXPECTED PRICE INCREASE OVER THE NEXT 12 MONTHS
AND INCREASE IN CPI, ALL URBAN CONSUMERS ALL ITEMS (SAAR)



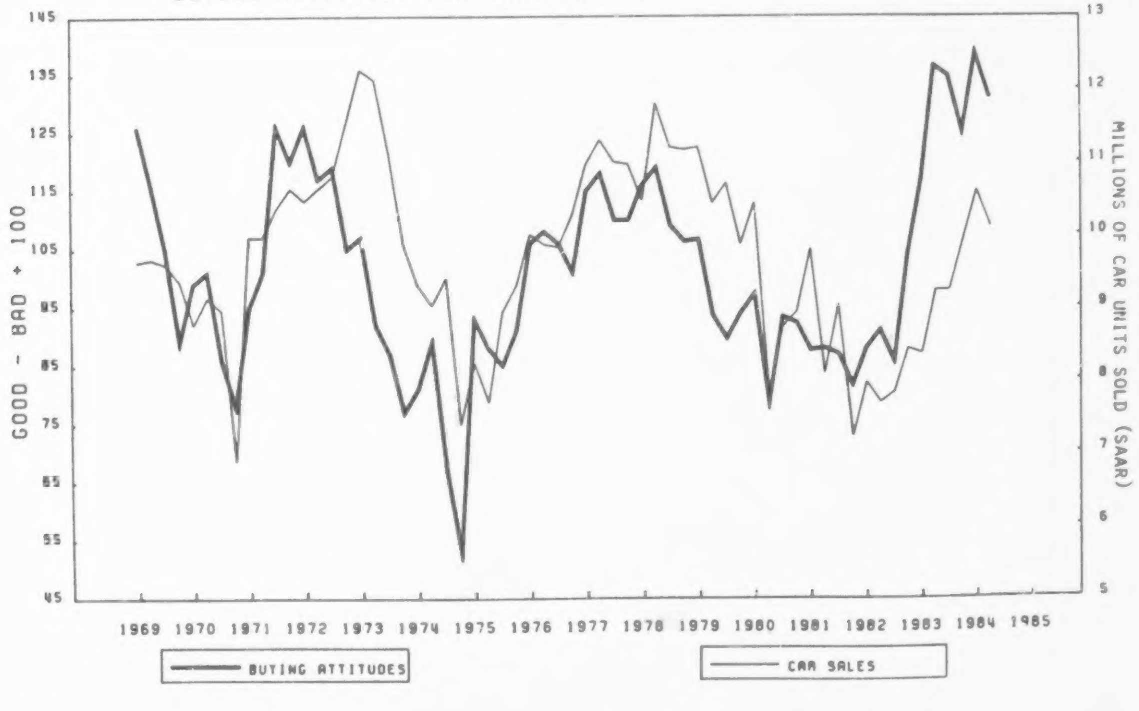
## CHART C

### UNEMPLOYMENT EXPECTATIONS AND THE PERCENTAGE POINT CHANGE IN THE UNEMPLOYMENT RATE



## CHART D

### BUYING ATTITUDES FOR CARS AND TOTAL UNIT CAR SALES



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# SURVEYS OF CONSUMER ATTITUDES

SURVEY RESEARCH CENTER
UNIVERSITY OF MICHIGAN

Institute for Social Research

# TABLES AND CHARTS

MAY 1984

The May 1984 survey is the 188th in a series of surveys of consumer attitudes conducted by the Survey Research Center at The University of Michigan. Initiated in 1946, these periodic surveys provide regular assessments of consumer attitudes and expectations, and are used to evaluate economic trends and prospects. The surveys are designed to explore why changes in consumer attitudes and expectations occur, and how these changes influence consumer spending and saving decisions.

Two charts highlight recent changes and historical patterns for most questions. Recent change charts include quarterly data before 1978 and monthly data starting in January of 1978. Historical series charts show quarterly data before 1978 and 3 month moving averages since then. See the explanatory charts at the end of this book for a detailed description.

All surveys are subject to sampling error because not all members of the population are interviewed. Most results on the total sample for this monthly survey will differ by no more than 4 percentage points in either direction from what would have been obtained by using the same methods on the entire population. See the back of this book for sampling error information.

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CHART 1 - RECENT CHANGES
THE INDEX OF CONSUMER SENTIMENT

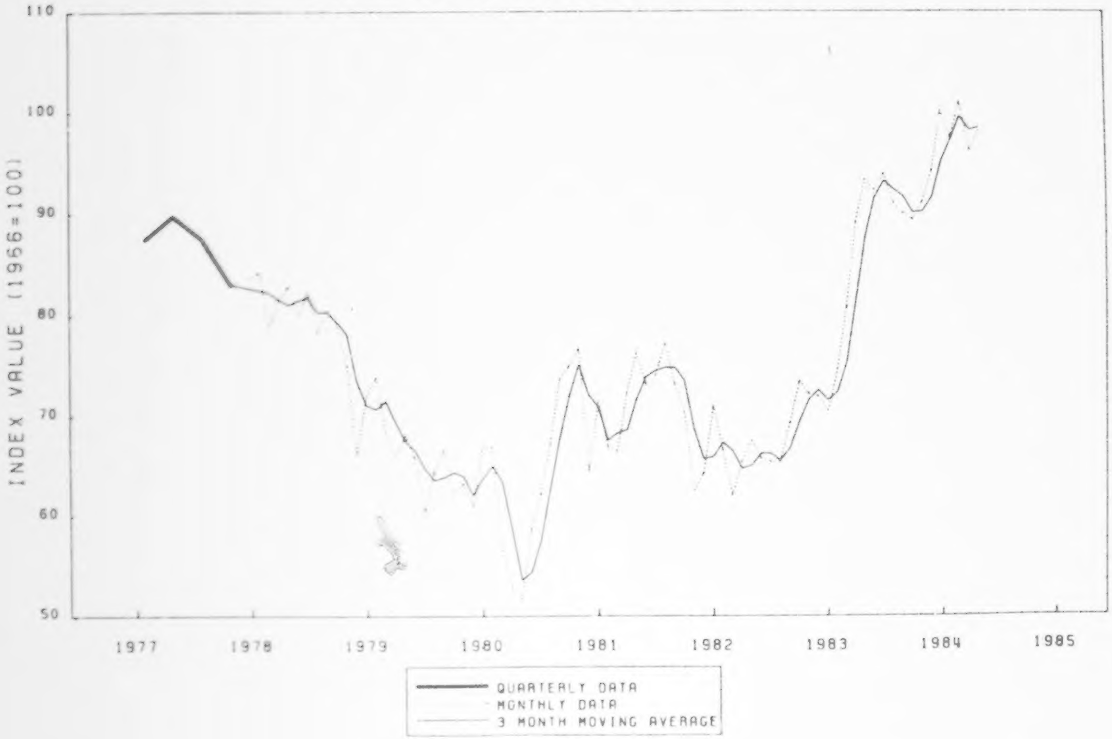
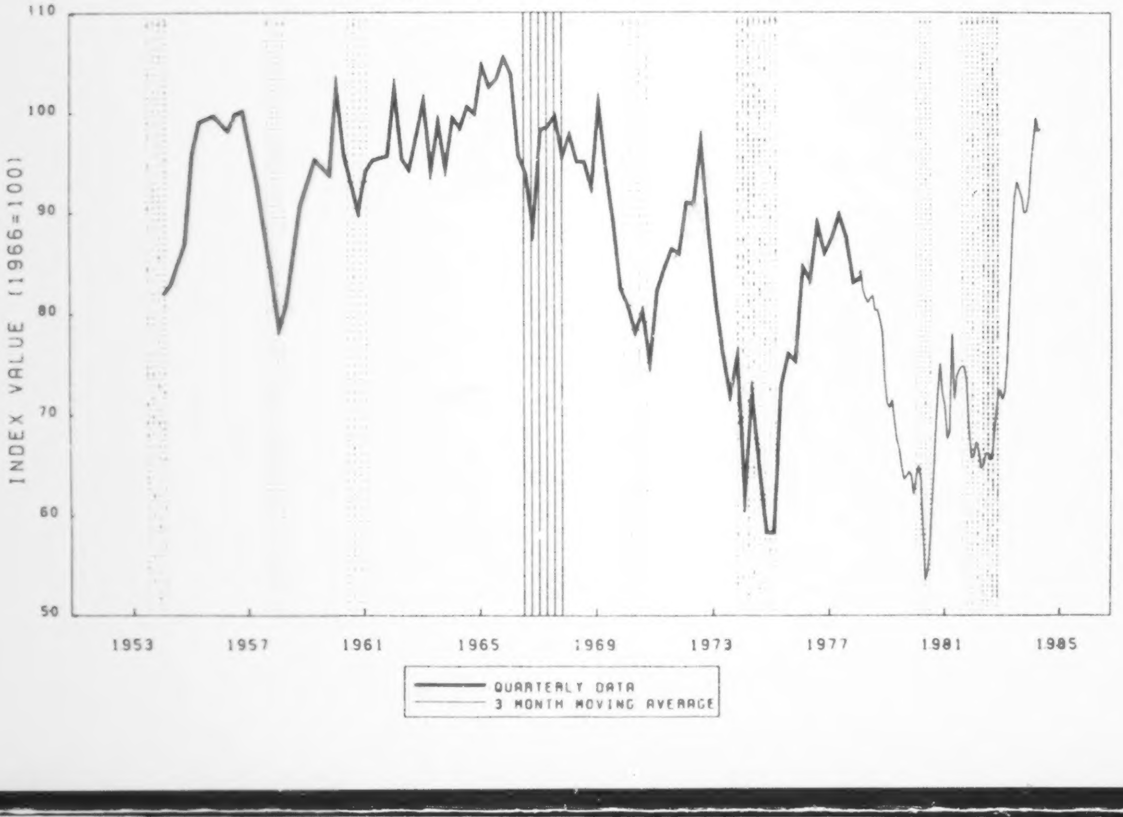


CHART 1 - HISTORICAL SERIES
THE INDEX OF CONSUMER SENTIMENT



## TABLE 1

## THE INDEX OF CONSUMER SENTIMENT

| DATE OF SURVEY | | All families | Families with incomes over $20,000 | Families with incomes over $25,000 |
|---|---|---|---|---|
| May | 1981 | 76.3 | 80.8 | 85.0 |
| June | 1981 | 73.1 | 81.2 | 82.9 |
| July | 1981 | 74.1 | 80.8 | 82.1 |
| August | 1981 | 77.2 | 82.7 | 85.0 |
| September | 1981 | 73.1 | 75.2 | 73.3 |
| October | 1981 | 70.3 | 74.5 | 77.9 |
| November | 1981 | 62.5 | 67.2 | 66.3 |
| December | 1981 | 64.3 | 71.0 | 71.1 |
| January | 1982 | 71.0 | 77.9 | 77.8 |
| February | 1982 | 66.5 | 71.5 | 72.8 |
| March | 1982 | 62.0 | 67.0 | 67.9 |
| April | 1982 | 65.5 | 71.5 | 73.2 |
| May | 1982 | 67.5 | 72.7 | 74.8 |
| June | 1982 | 65.7 | 71.4 | 72.9 |
| July | 1982 | 65.4 | 68.9 | 69.2 |
| August | 1982 | 65.4 | 71.0 | 73.6 |
| September | 1982 | 69.3 | 78.4 | 81.1 |
| October | 1982 | 73.4 | 77.5 | 80.9 |
| November | 1982 | 72.1 | 79.3 | 81.1 |
| December | 1982 | 71.9 | 78.0 | 80.5 |
| January | 1983 | 70.4 | 78.2 | 78.8 |
| February | 1983 | 74.6 | 79.9 | 81.3 |
| March | 1983 | 80.8 | 88.4 | 88.9 |
| April | 1983 | 89.1 | 97.1 | 99.0 |
| May | 1983 | 93.3 | 99.6 | 101.0 |
| June | 1983 | 92.2 | 101.2 | 102.5 |
| July | 1983 | 93.9 | 104.4 | 106.5 |
| August | 1983 | 90.9 | 101.2 | 103.5 |
| September | 1983 | 89.9 | 99.0 | 102.3 |
| October | 1983 | 89.3 | 99.5 | 101.9 |
| November | 1983 | 91.1 | 97.2 | 98.8 |
| December | 1983 | 94.2 | 101.7 | 104.5 |
| January | 1984 | 100.1 | 112.0 | 114.2 |
| February | 1984 | 97.4 | 109.6 | 111.2 |
| March | 1984 | 101.0 | 110.9 | 114.2 |
| April | 1984 | 96.1 | 103.9 | 105.5 |
| May | 1984 | 98.1 | 105.6 | 107.1 |

CHART 2A - HISTORICAL SERIES
INDEX OF CONSUMER SENTIMENT WITHIN REGION SUBGROUPS

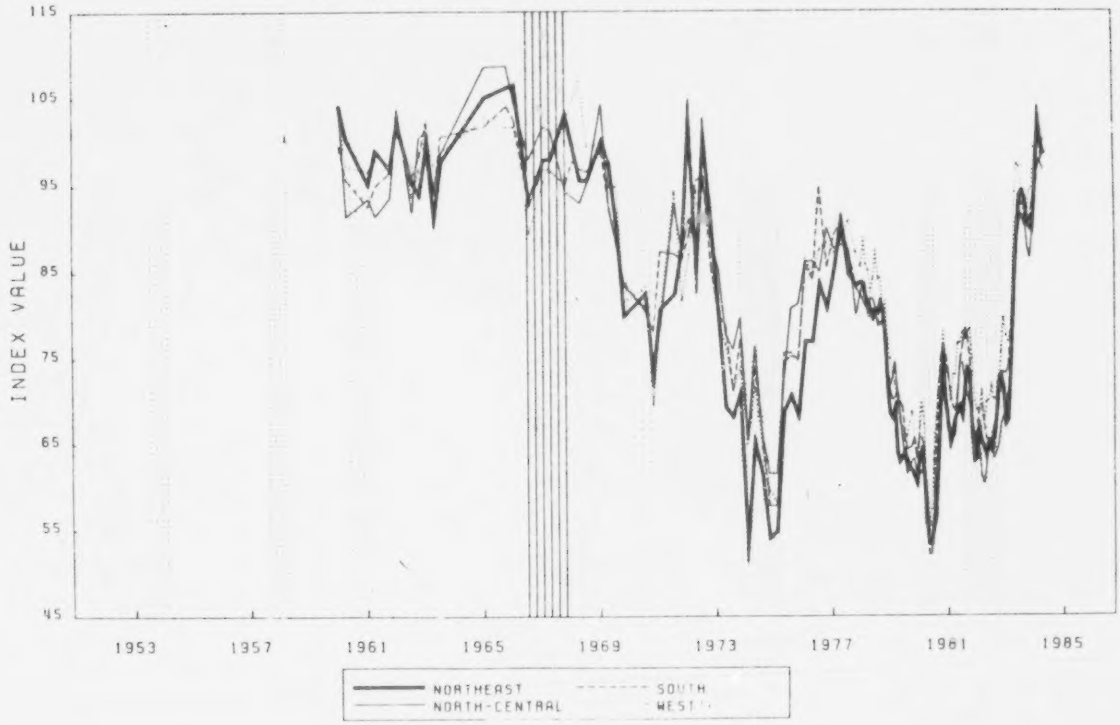
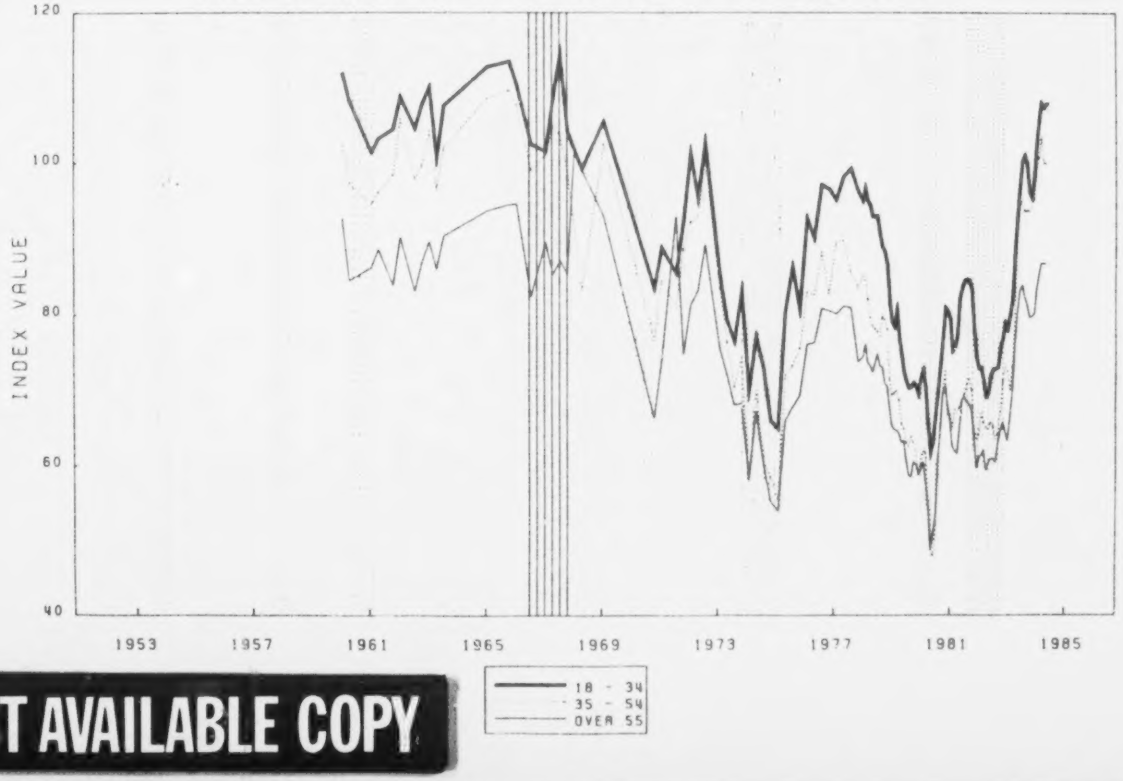


CHART 2B - HISTORICAL SERIES
INDEX OF CONSUMER SENTIMENT WITHIN AGE SUBGROUPS



BEST AVAILABLE COPY

TABLE 2

## INDEX OF CONSUMER SENTIMENT WITHIN REGION AND AGE SUBGROUPS

| | | CENSUS REGION | | | | AGE OF RESPONDENT | | |
|---|---|---|---|---|---|---|---|---|
| DATE OF SURVEY | | North East | North Central | South | West | 18-34 | 35-54 | 55+ |
| May | 1981 | 66.8 | 76.6 | 77.5 | 82.2 | 87.7 | 71.2 | 70.0 |
| June | 1981 | 68.5 | 74.0 | 75.2 | 73.8 | 81.7 | 67.0 | 69.6 |
| July | 1981 | 68.9 | 72.2 | 76.5 | 78.1 | 84.2 | 70.6 | 67.6 |
| August | 1981 | 77.0 | 70.1 | 83.2 | 79.2 | 87.8 | 75.0 | 67.9 |
| September | 1981 | 75.1 | 69.9 | 72.4 | 76.6 | 81.4 | 68.8 | 69.2 |
| October | 1981 | 67.9 | 68.2 | 68.9 | 79.0 | 80.7 | 65.9 | 64.8 |
| November | 1981 | 55.8 | 64.7 | 61.1 | 68.8 | 71.3 | 59.6 | 57.7 |
| December | 1981 | 65.0 | 65.3 | 64.4 | 61.6 | 70.9 | 65.3 | 56.7 |
| January | 1982 | 68.8 | 67.3 | 72.0 | 76.2 | 76.6 | 67.4 | 68.5 |
| February | 1982 | 65.9 | 60.6 | 71.8 | 68.8 | 71.5 | 68.3 | 59.0 |
| March | 1982 | 60.5 | 55.8 | 64.7 | 68.2 | 65.5 | 61.4 | 58.8 |
| April | 1982 | 67.2 | 64.6 | 65.0 | 65.8 | 70.6 | 65.5 | 60.4 |
| May | 1982 | 62.4 | 66.5 | 66.6 | 75.7 | 72.7 | 67.6 | 62.0 |
| June | 1982 | 65.4 | 65.0 | 64.9 | 68.6 | 72.4 | 64.4 | 60.3 |
| July | 1982 | 65.1 | 64.0 | 63.5 | 71.1 | 73.4 | 63.3 | 60.6 |
| August | 1982 | 68.1 | 60.6 | 64.0 | 70.6 | 72.6 | 62.9 | 60.2 |
| September | 1982 | 70.3 | 67.2 | 71.1 | 68.8 | 73.0 | 66.7 | 68.0 |
| October | 1982 | 77.8 | 66.2 | 74.1 | 79.3 | 81.2 | 72.1 | 65.5 |
| November | 1982 | 70.6 | 67.9 | 73.2 | 79.3 | 76.6 | 75.7 | 63.8 |
| December | 1982 | 66.1 | 70.0 | 72.5 | 80.4 | 78.9 | 71.7 | 64.2 |
| January | 1983 | 64.9 | 70.5 | 73.6 | 72.8 | 78.8 | 70.0 | 62.0 |
| February | 1983 | 72.1 | 72.3 | 75.8 | 77.2 | 82.1 | 68.3 | 72.4 |
| March | 1983 | 82.9 | 73.7 | 82.7 | 84.4 | 84.9 | 81.5 | 75.5 |
| April | 1983 | 89.1 | 88.0 | 87.2 | 95.6 | 95.8 | 90.5 | 80.5 |
| May | 1983 | 88.3 | 90.7 | 93.3 | 102.7 | 97.2 | 97.1 | 84.9 |
| June | 1983 | 95.1 | 88.7 | 92.5 | 94.1 | 97.8 | 94.4 | 83.9 |
| July | 1983 | 98.3 | 93.8 | 89.9 | 94.3 | 106.0 | 93.6 | 83.0 |
| August | 1983 | 89.6 | 92.0 | 91.3 | 89.6 | 99.2 | 92.9 | 80.0 |
| September | 1983 | 92.6 | 87.8 | 89.3 | 90.8 | 94.8 | 94.5 | 80.9 |
| October | 1983 | 89.9 | 83.7 | 91.5 | 93.5 | 94.2 | 93.8 | 77.8 |
| November | 1983 | 87.7 | 88.3 | 91.5 | 98.5 | 97.2 | 94.6 | 80.7 |
| December | 1983 | 91.4 | 96.2 | 95.2 | 92.2 | 102.3 | 97.5 | 81.8 |
| January | 1984 | 100.7 | 96.8 | 97.5 | 107.5 | 107.9 | 106.0 | 87.4 |
| February | 1984 | 102.3 | 98.4 | 93.5 | 97.1 | 106.2 | 98.9 | 86.5 |
| March | 1984 | 104.8 | 98.5 | 102.1 | 97.5 | 109.9 | 105.2 | 86.6 |
| April | 1984 | 92.5 | 95.3 | 98.2 | 99.3 | 106.5 | 95.9 | 87.0 |
| May | 1984 | 98.8 | 96.3 | 96.5 | 103.9 | 107.5 | 98.8 | 86.6 |

CHART 3 - RECENT CHANGES
CURRENT AND EXPECTED COMPONENTS

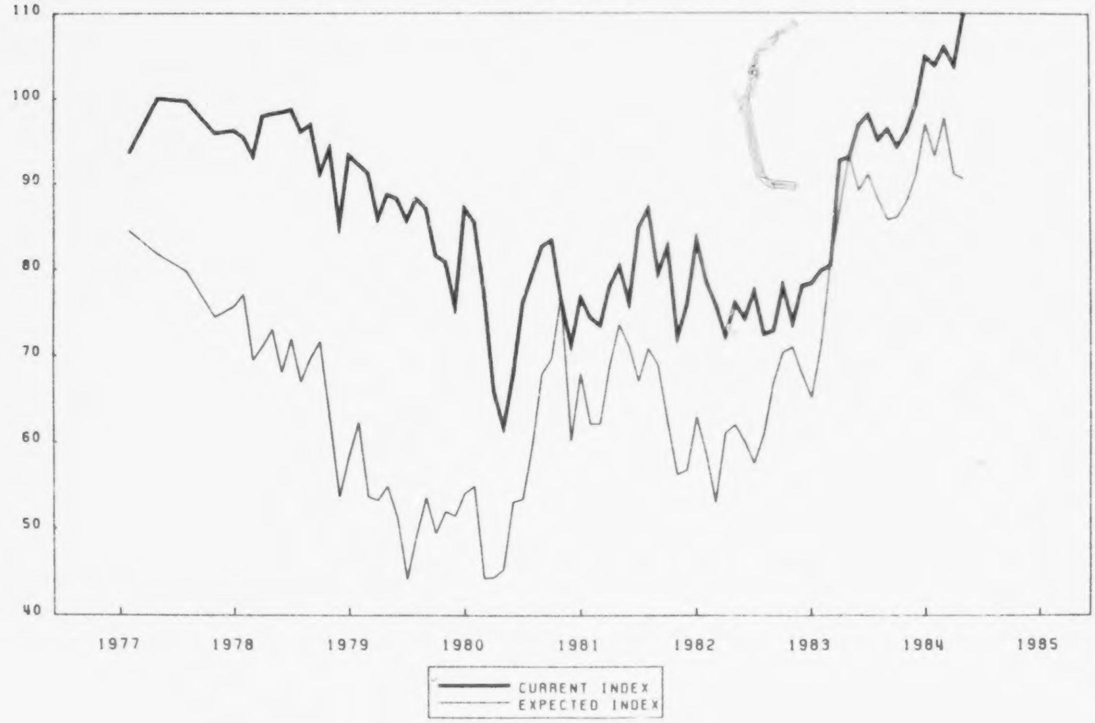
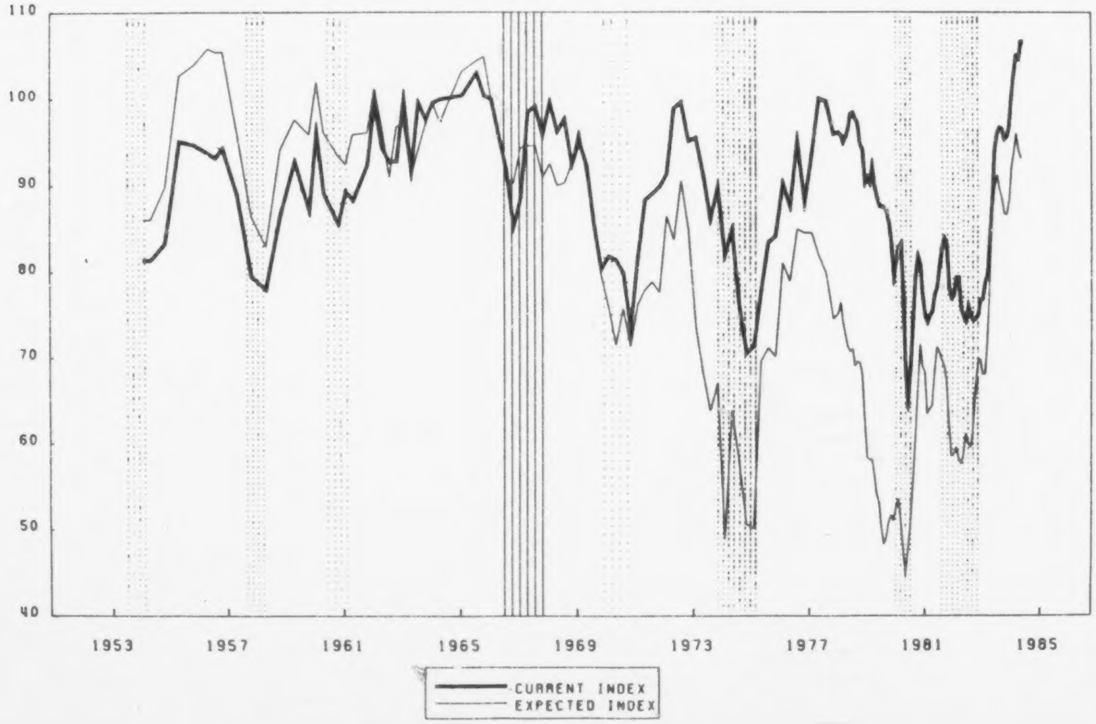


CHART 3 - HISTORICAL SERIES
CURRENT AND EXPECTED COMPONENTS



## TABLE 3

## COMPONENTS OF THE INDEX OF CONSUMER SENTIMENT

| | | INDEX COMPONENTS + | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | | Personal finances | | Business conditions | | | | |
| DATE OF SURVEY | | Current (1) | Expected (2) | 12 months (3) | 5 years (4) | Buying conds. (5) | Current Index (1,5) | Expected Index (2,3,4) |
| May | 1981 | 95 | 118 | 92 | 81 | 111 | 80.4 | 73.6 |
| June | 1981 | 89 | 113 | 91 | 78 | 104 | 76.1 | 71.2 |
| July | 1981 | 99 | 114 | 81 | 70 | 118 | 84.9 | 67.1 |
| August | 1981 | 100 | 117 | 92 | 72 | 123 | 87.1 | 70.8 |
| September | 1981 | 94 | 113 | 90 | 80 | 109 | 79.5 | 69.0 |
| October | 1981 | 95 | 110 | 68 | 67 | 117 | 82.7 | 62.3 |
| November | 1981 | 85 | 110 | 54 | 56 | 99 | 72.1 | 56.3 |
| December | 1981 | 94 | 110 | 54 | 61 | 101 | 75.9 | 56.8 |
| January | 1982 | 92 | 115 | 66 | 70 | 124 | 83.5 | 62.9 |
| February | 1982 | 91 | 112 | 56 | 65 | 111 | 78.6 | 58.7 |
| March | 1982 | 89 | 106 | 44 | 60 | 106 | 75.9 | 53.1 |
| April | 1982 | 87 | 111 | 62 | 70 | 99 | 72.3 | 61.1 |
| May | 1982 | 94 | 113 | 62 | 72 | 102 | 76.1 | 62.0 |
| June | 1982 | 92 | 116 | 58 | 65 | 99 | 74.3 | 60.1 |
| July | 1982 | 90 | 113 | 53 | 63 | 110 | 77.5 | 57.6 |
| August | 1982 | 89 | 110 | 64 | 69 | 97 | 72.5 | 60.9 |
| September | 1982 | 89 | 116 | 76 | 74 | 98 | 72.9 | 66.9 |
| October | 1982 | 95 | 119 | 79 | 83 | 106 | 78.1 | 70.4 |
| November | 1982 | 85 | 121 | 77 | 86 | 105 | 73.8 | 71.0 |
| December | 1982 | 90 | 117 | 74 | 80 | 111 | 78.1 | 67.9 |
| January | 1983 | 91 | 115 | 76 | 69 | 111 | 78.4 | 65.2 |
| February | 1983 | 89 | 117 | 87 | 81 | 117 | 79.9 | 71.2 |
| March | 1983 | 92 | 126 | 113 | 85 | 115 | 80.5 | 80.9 |
| April | 1983 | 108 | 131 | 120 | 99 | 131 | 92.7 | 86.9 |
| May | 1983 | 101 | 137 | 139 | 100 | 139 | 93.1 | 93.4 |
| June | 1983 | 110 | 128 | 134 | 97 | 141 | 96.9 | 89.2 |
| July | 1983 | 111 | 126 | 136 | 104 | 143 | 98.1 | 91.1 |
| August | 1983 | 106 | 124 | 130 | 100 | 140 | 95.1 | 88.2 |
| September | 1983 | 109 | 125 | 125 | 95 | 140 | 96.4 | 85.8 |
| October | 1983 | 104 | 124 | 124 | 98 | 140 | 94.3 | 86.1 |
| November | 1983 | 111 | 127 | 129 | 98 | 138 | 96.1 | 87.9 |
| December | 1983 | 123 | 125 | 140 | 102 | 134 | 99.3 | 91.0 |
| January | 1984 | 117 | 129 | 154 | 108 | 155 | 104.9 | 97.0 |
| February | 1984 | 119 | 130 | 139 | 106 | 151 | 103.9 | 93.2 |
| March | 1984 | 122 | 135 | 146 | 113 | 153 | 106.0 | 97.7 |
| April | 1984 | 117 | 124 | 136 | 106 | 153 | 103.9 | 91.1 |
| May | 1984 | 121 | 129 | 131 | 105 | 164 | 109.8 | 90.6 |

(1) See Table 4.
(2) See Table 6.
(3) See Table 18.
(4) See Table 19.
(5) See Table 26.

+ : Percent saying "GOOD TIMES" (or "BETTER"), minus percent saying "BAD TIMES" (or "WORSE"), plus 100.

CHART 4 - RECENT CHANGES
CURRENT FINANCIAL SITUATION COMPARED WITH A YEAR AGO

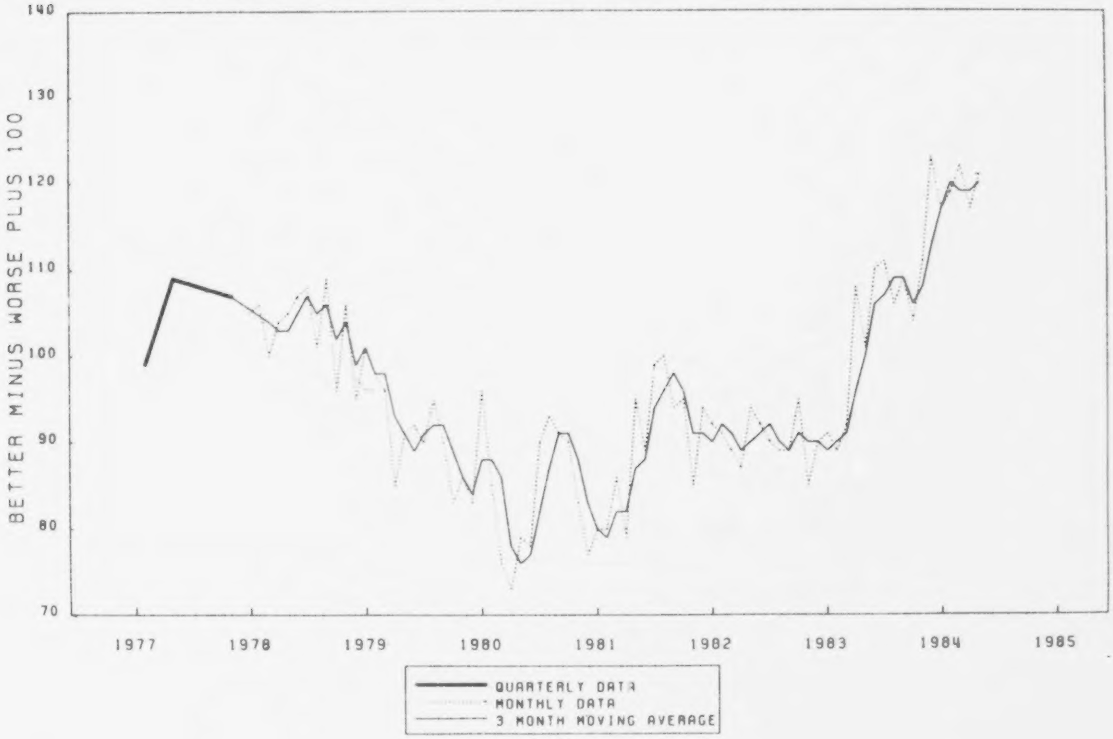
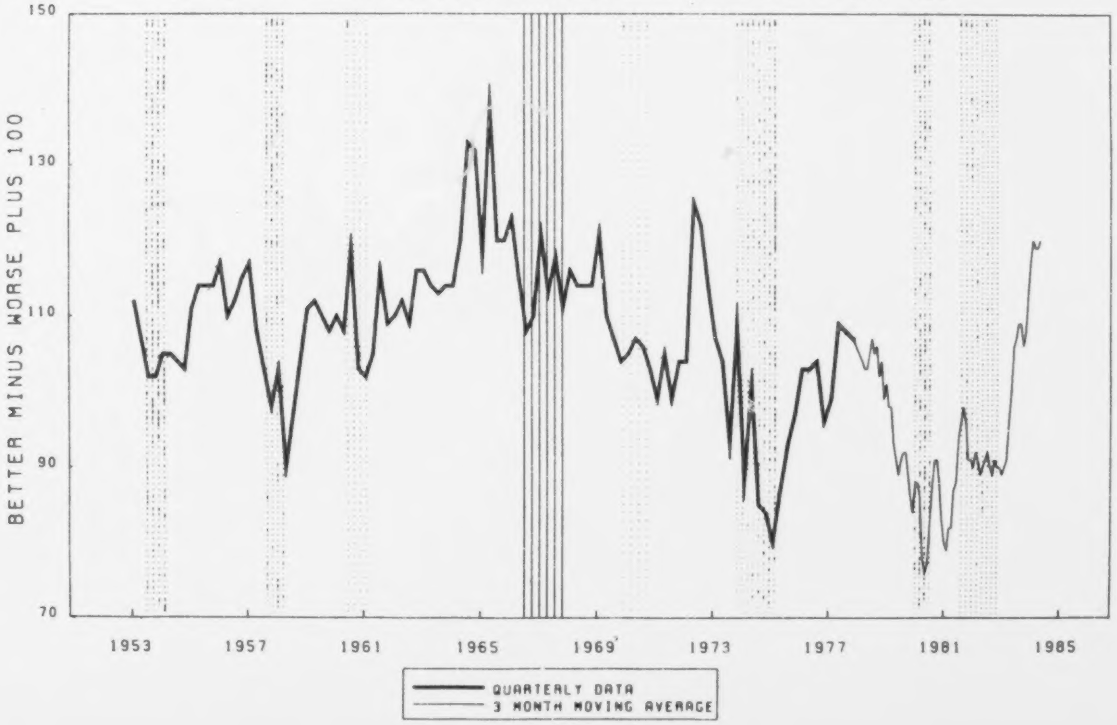


CHART 4 - HISTORICAL SERIES
CURRENT FINANCIAL SITUATION COMPARED WITH A YEAR AGO



## TABLE 4

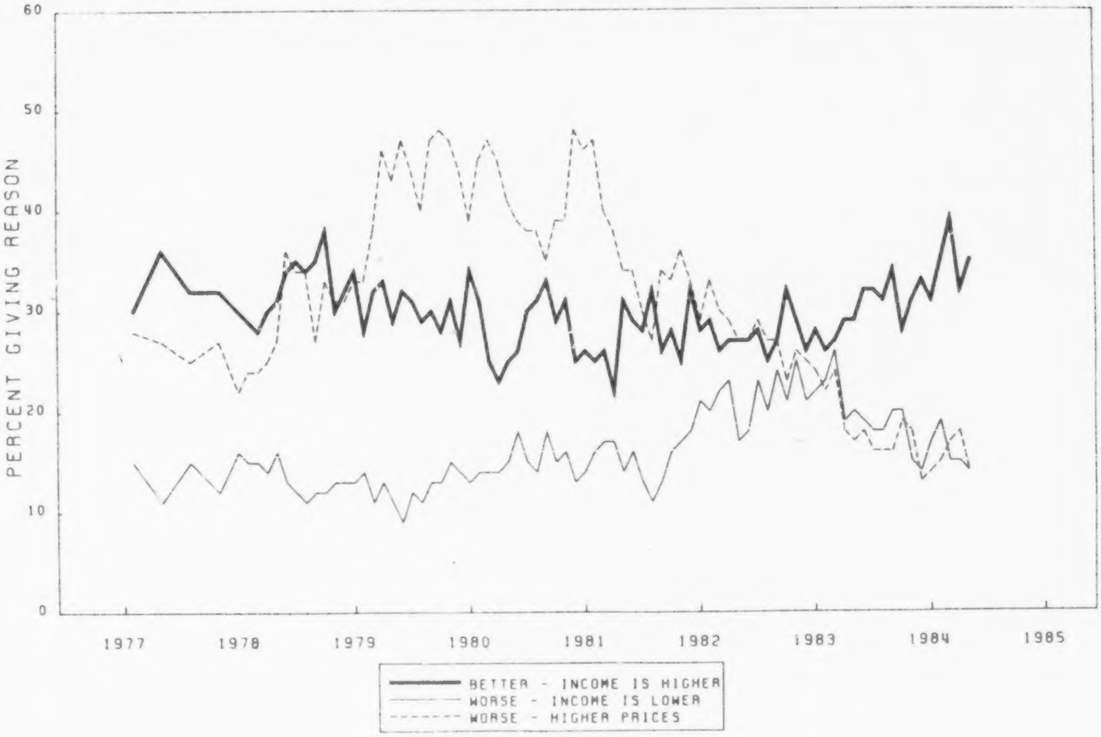
## CURRENT FINANCIAL SITUATION COMPARED TO A YEAR AGO

| | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| BETTER OFF | 34% | 38% | 40% | 36% | 38% | 36% | 38% | 45% | 42% | 44% | 48% | 43% | 44% |
| SAME | 33 | 33 | 31 | 34 | 33 | 32 | 35 | 33 | 32 | 31 | 26 | 30 | 33 |
| WORSE OFF | 33 | 28 | 29 | 30 | 29 | 32 | 27 | 22 | 25 | 25 | 26 | 26 | 23 |
| DK,NA | * | 1 | * | * | * | * | * | * | 1 | * | * | 1 | * |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 | 690 |

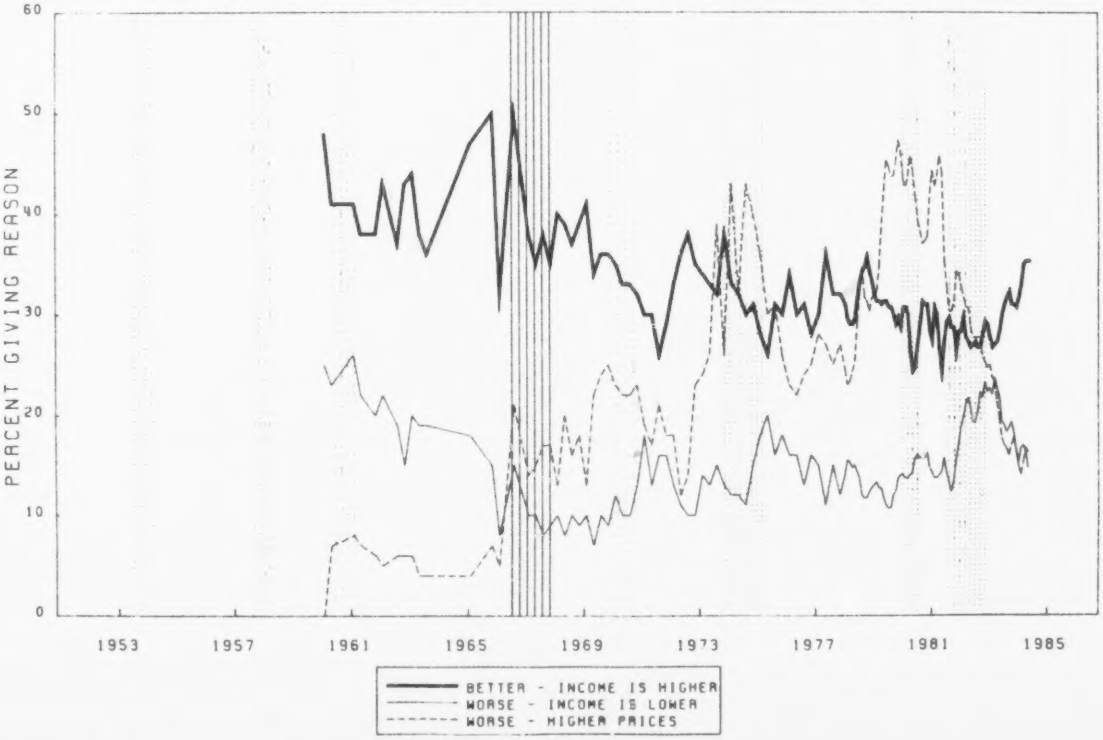
The question was: "We are interested in how people are getting along financially these days. Would you say that you (and your family living there) are better off or worse off financially than you were a year ago?"

* : Less than half of one percent.

## CHART 5 - RECENT CHANGES
## REASONS FOR OPINIONS ABOUT PERSONAL FINANCIAL SITUATION



## CHART 5 - HISTORICAL SERIES
## REASONS FOR OPINIONS ABOUT PERSONAL FINANCIAL SITUATION



## TABLE 5

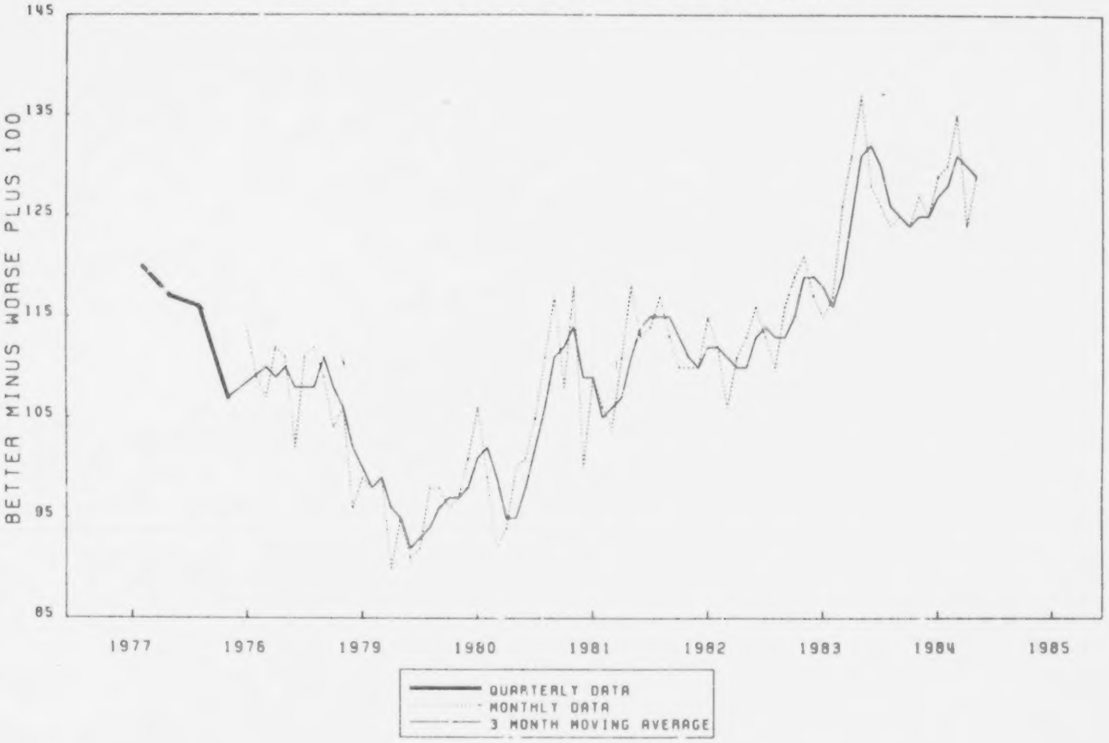
## SELECTED REASONS FOR OPINIONS ABOUT PERSONAL FINANCIAL SITUATION +

| | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| BETTER OFF THAN YEAR AGO: | | | | | | | | | | | | | |
| Income is higher | 29% | 32% | 32% | 31% | 34% | 28% | 31% | 33% | 31% | 35% | 39% | 32% | 35% |
| WORSE OFF THAN YEAR AGO: | | | | | | | | | | | | | |
| Income is lower | 20 | 19 | 18 | 18 | 20 | 20 | 15 | 14 | 17 | 19 | 15 | 15 | 14 |
| Higher prices | 17 | 18 | 16 | 16 | 16 | 19 | 18 | 13 | 14 | 15 | 17 | 18 | 14 |

Responses to the query: "Why do you say so?" following the question on Table 4.

+ : May add to more than 100% due to multiple mentions.

## CHART 6 - RECENT CHANGES
## EXPECTED CHANGE IN FINANCIAL SITUATION



## CHART 6 - HISTORICAL SERIES
## EXPECTED CHANGE IN FINANCIAL SITUATION

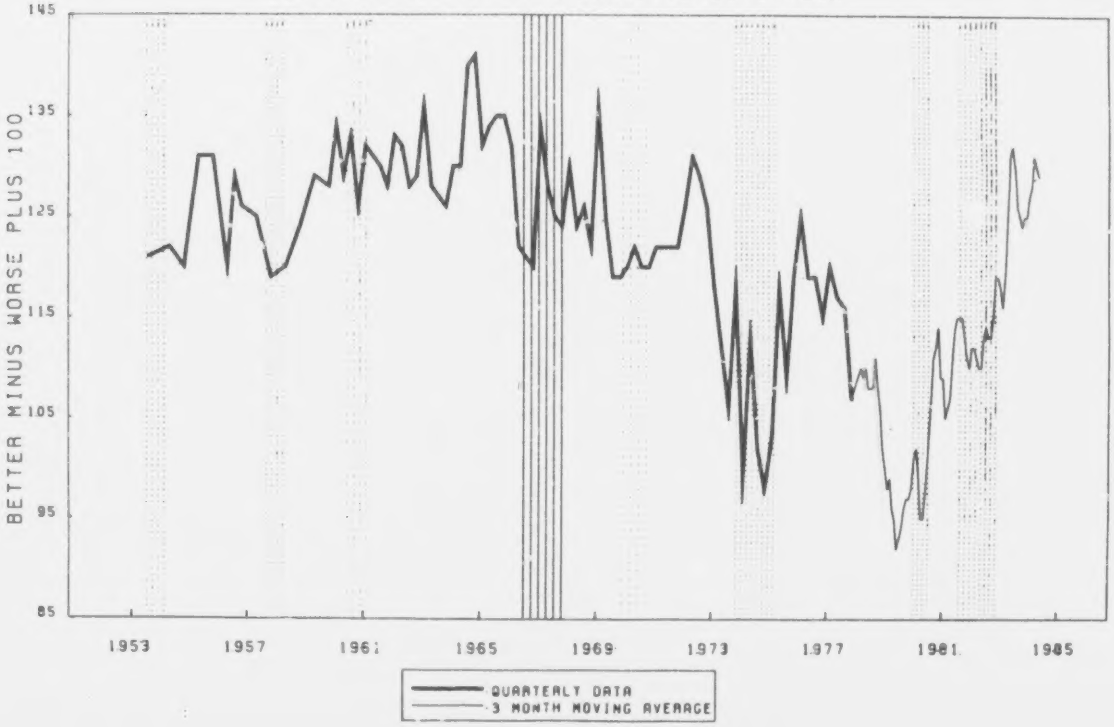


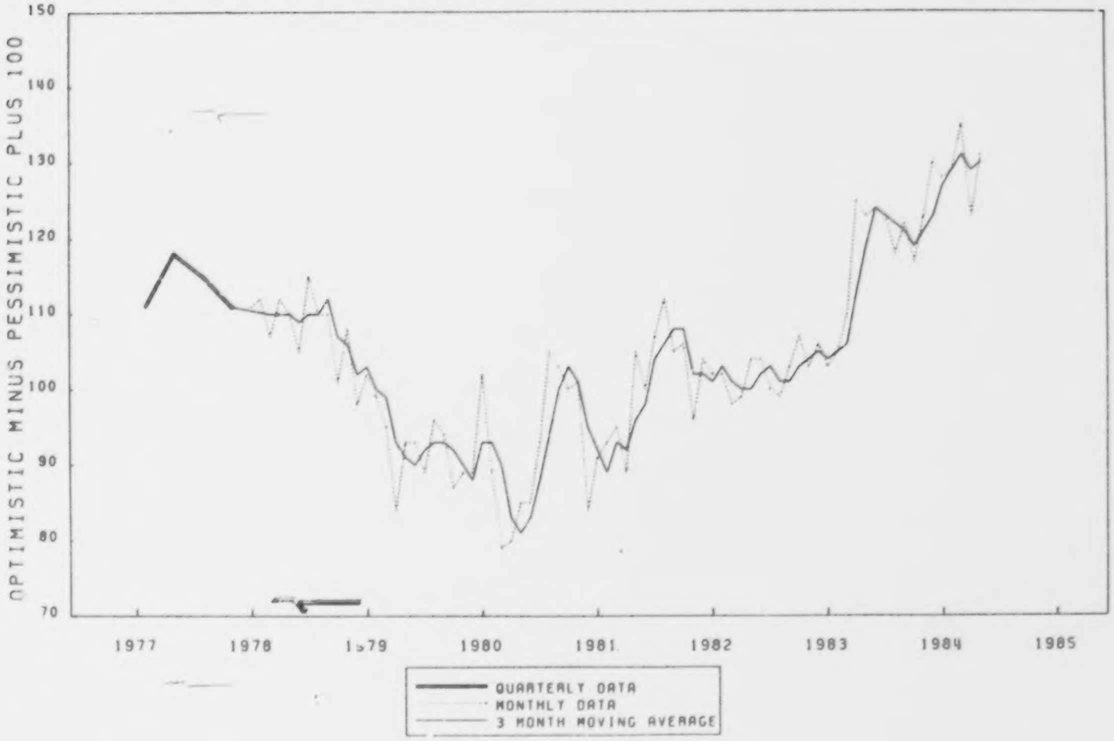
TABLE 6

EXPECTED CHANGE IN FINANCIAL SITUATION

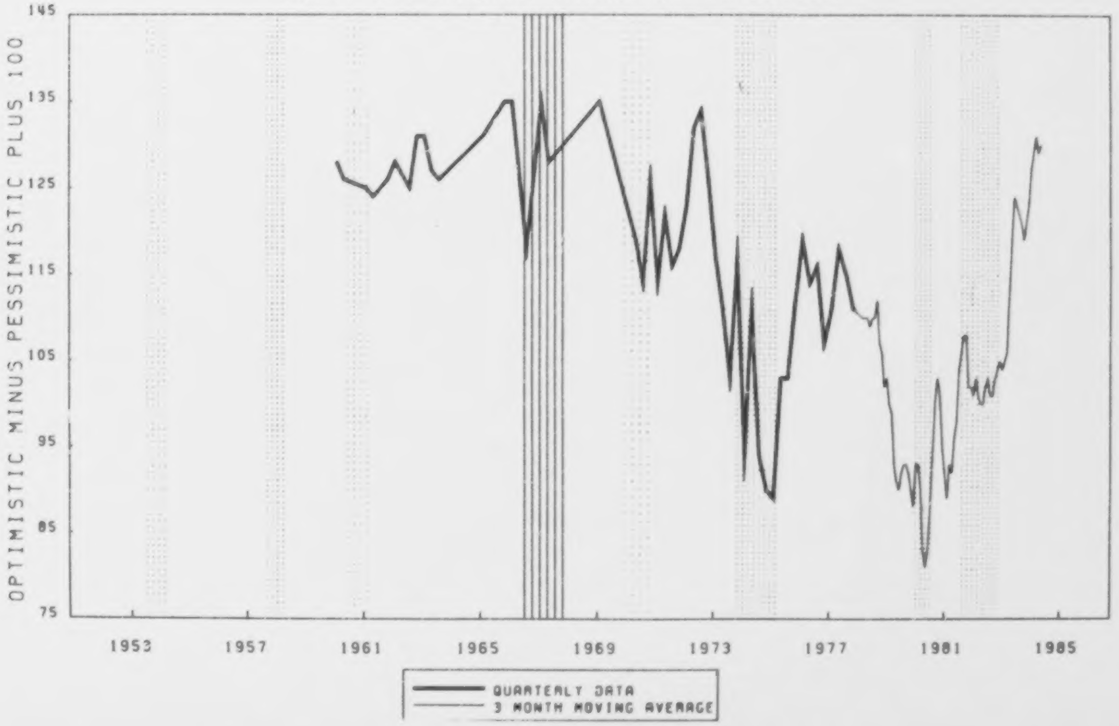
| | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| BETTER OFF | 43% | 37% | 35% | 37% | 37% | 37% | 38% | 35% | 38% | 41% | 44% | 37% | 40% |
| SAME | 47 | 52 | 52 | 46 | 48 | 46 | 47 | 51 | 50 | 44 | 44 | 48 | 47 |
| WORSE OFF | 6 | 9 | 9 | 13 | 12 | 13 | 11 | 10 | 9 | 11 | 9 | 13 | 11 |
| DK,NA | 4 | 2 | 4 | 4 | 3 | 4 | 4 | 4 | 3 | 4 | 3 | 2 | 2 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 | 690 |

The question was: "Now looking ahead--do you think that a year from now you (and your family living there) will be better off financially, or worse off, or just about the same as now?"

## CHART 7 - RECENT CHANGES
## TREND IN PERSONAL FINANCIAL SITUATION



## CHART 7 - HISTORICAL SERIES
## TREND IN PERSONAL FINANCIAL SITUATION



## TABLE 7

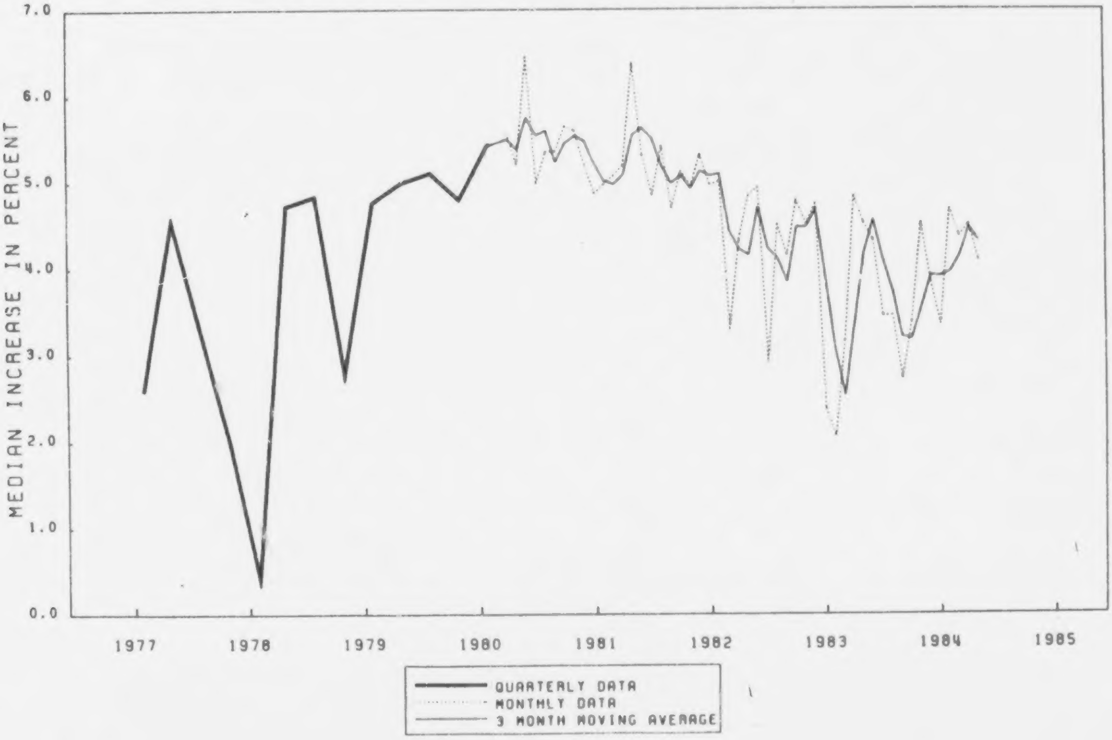
## TREND IN PERSONAL FINANCIAL SITUATION

| | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| PERSONAL FINANCIAL PROGRESS: | | | | | | | | | | | | | |
| Continuous increase (a) | 18% | 19% | 20% | 19% | 18% | 19% | 20% | 22% | 22% | 24% | 27% | 23% | 23% |
| Intermittent increase (b) | 25 | 26 | 24 | 23 | 27 | 23 | 23 | 26 | 26 | 25 | 27 | 22 | 24 |
| Remain unchanged (c) | 18 | 20 | 21 | 19 | 18 | 18 | 21 | 22 | 18 | 17 | 14 | 19 | 21 |
| Intermittent decline (d) | 18 | 17 | 16 | 18 | 17 | 18 | 15 | 13 | 16 | 16 | 14 | 16 | 12 |
| Continuous decline (e) | 2 | 4 | 5 | 6 | 6 | 7 | 5 | 5 | 4 | 4 | 5 | 6 | 4 |
| Mixed change (f) | 15 | 11 | 10 | 10 | 11 | 11 | 11 | 8 | 10 | 10 | 10 | 11 | 14 |
| DK,NA | 4 | 3 | 4 | 5 | 3 | 4 | 5 | 4 | 4 | 4 | 3 | 3 | 2 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 | 690 |

Combination of the responses to the questions on Tables 4 and 6.

Key: (a) Better off financially than a year ago/Better off a year from now
(b) Better/Same or Same/Better
(c) Same/Same
(d) Worse/Same or Same/Worse
(e) Worse/Worse
(f) Worse/Better or Better/Worse

CHART 8 - RECENT CHANGES
MEDIAN EXPECTED CHANGE IN FAMILY INCOME



## TABLE 8

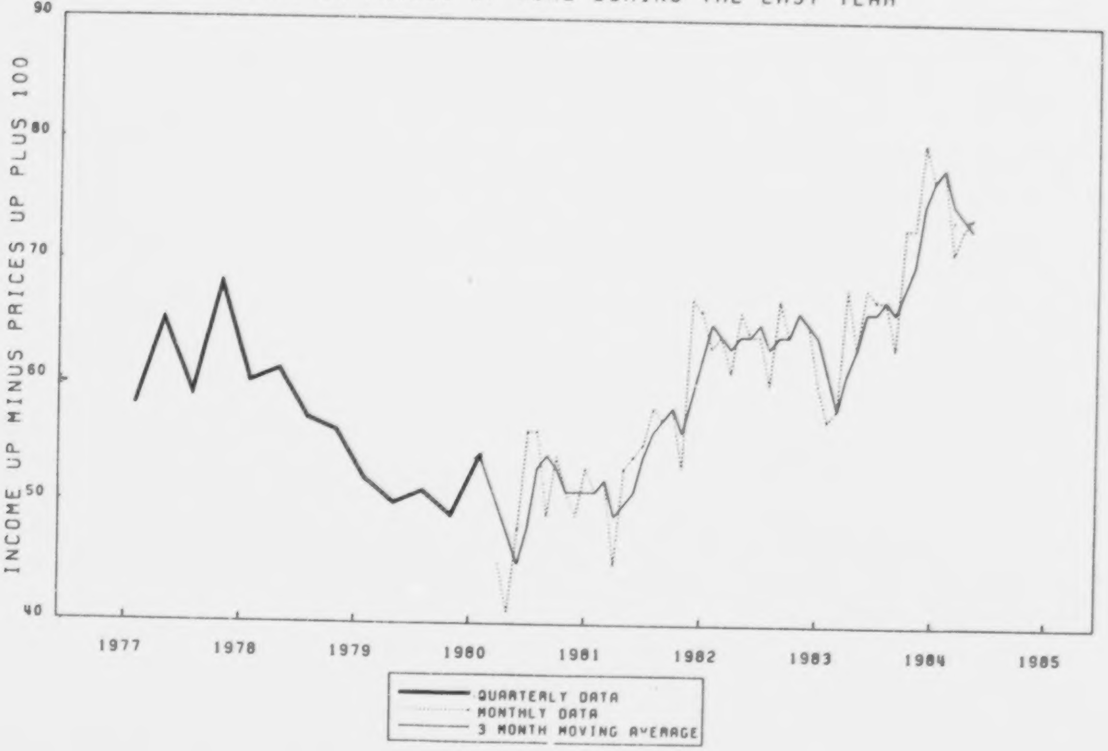
## EXPECTED FAMILY INCOME CHANGE DURING THE NEXT 12 MONTHS

| | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| EXPECT INCREASE: | | | | | | | | | | | | | |
| 1-4% | 8% | 8% | 9% | 13% | 11% | 11% | 12% | 12% | 15% | 13% | 14% | 11% | 11% |
| 5% | 9 | 11 | 12 | 10 | 12 | 10 | 9 | 10 | 11 | 13 | 9 | 11 | 9 |
| 6-9% | 8 | 11 | 10 | 10 | 5 | 10 | 8 | 10 | 8 | 10 | 8 | 8 | 7 |
| 10-24% | 20 | 16 | 15 | 15 | 14 | 15 | 19 | 16 | 16 | 19 | 18 | 18 | 21 |
| 25% or more | 9 | 8 | 7 | 8 | 9 | 7 | 8 | 7 | 7 | 6 | 11 | 8 | 8 |
| DK how much up | 5 | 4 | 4 | 4 | 6 | 5 | 7 | 5 | 4 | 4 | 6 | 5 | 6 |
| EXPECT SAME | 26 | 28 | 28 | 23 | 30 | 26 | 23 | 26 | 27 | 22 | 26 | 22 | 26 |
| EXPECT DOWN | 14 | 13 | 13 | 14 | 12 | 13 | 11 | 12 | 10 | 11 | 7 | 15 | 11 |
| DK,NA | 1 | 1 | 2 | 3 | 1 | 3 | 3 | 2 | 2 | 2 | 1 | 2 | 1 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 | 690 |

The questions were: "During the next 12 months, do you expect your (family) income to be higher or lower than during the past year?" and "By about what percent do you expect your (family) income to increase during the next 12 months?"

CHART 9 - RECENT CHANGES

INCOME OR PRICES UP MORE DURING THE LAST YEAR



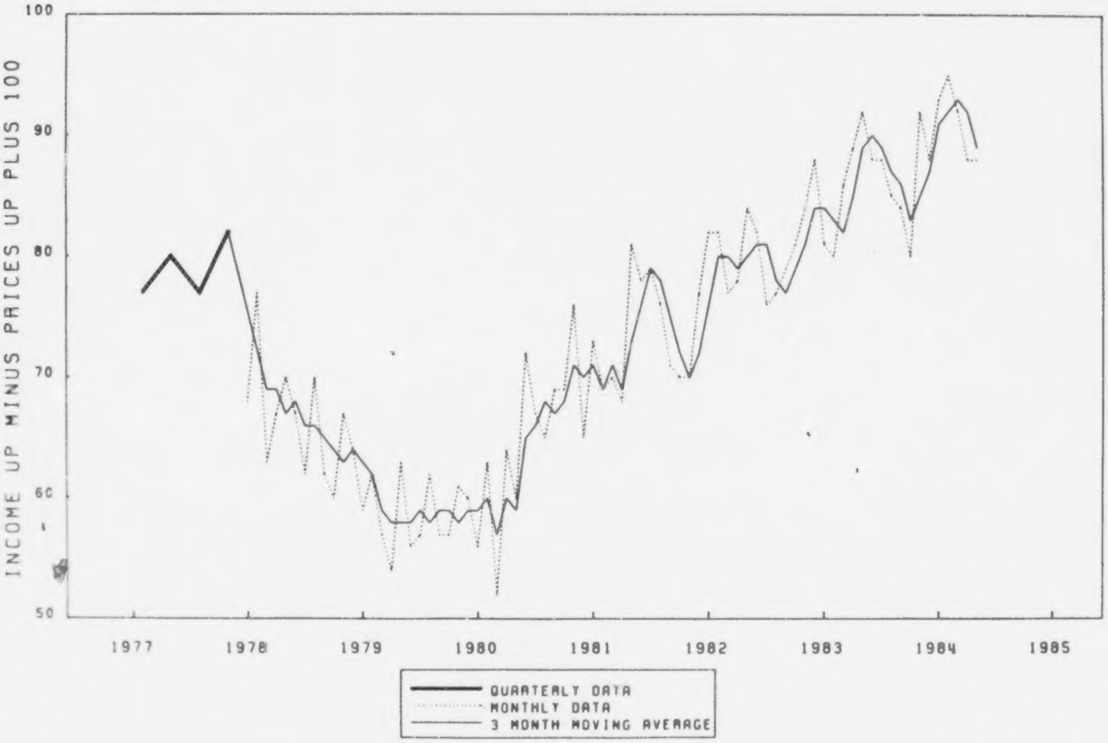
## TABLE 9

## PAST CHANGE IN REAL FAMILY INCOME

| | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| INCOME UP MORE | 16% | 17% | 18% | 20% | 15% | 20% | 22% | 23% | 23% | 22% | 20% | 20% | 20% |
| INCOME UP SAME | 30 | 32 | 29 | 26 | 31 | 32 | 28 | 32 | 29 | 32 | 30 | 32 | 33 |
| PRICES UP MORE | 53 | 49 | 51 | 53 | 52 | 47 | 49 | 43 | 46 | 44 | 49 | 47 | 46 |
| DK,NA | 1 | 2 | 2 | 1 | 2 | 1 | 1 | 2 | 2 | 2 | 1 | 1 | 1 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 | 690 |

The question was: "During the last year or two, would you say that your (family) income went up more than prices, went up about the same as prices, or went up less than prices?"

CHART 10 - RECENT CHANGES
INCOME OR PRICES UP MORE NEXT YEAR



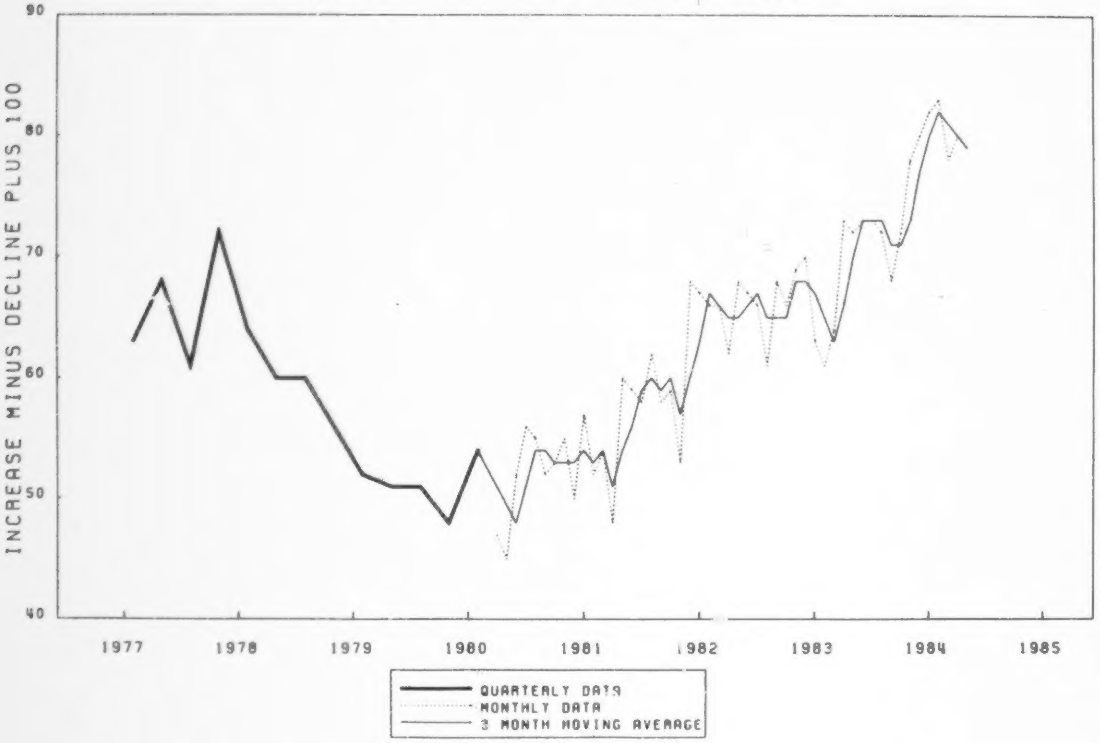
## TABLE 10

## EXPECTED CHANGE IN REAL FAMILY INCOME

| | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| INCOME UP MORE | 24% | 20% | 22% | 19% | 19% | 18% | 23% | 20% | 23% | 24% | 23% | 21% | 22% |
| INCOME UP SAME | 42 | 46 | 41 | 43 | 44 | 41 | 42 | 45 | 45 | 45 | 44 | 43 | 42 |
| PRICES UP MORE | 32 | 32 | 34 | 34 | 35 | 38 | 31 | 32 | 30 | 29 | 31 | 33 | 34 |
| DK,NA | 2 | 2 | 3 | 4 | 2 | 3 | 4 | 3 | 2 | 2 | 2 | 3 | 2 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 | 690 |

The question was: "How about the next year or two--do you expect that your (family) income will go up more than prices will go up, about the same, or less than prices will go up?"

CHART 11 - RECENT CHANGES
TREND IN INCOME AND PRICE COMPARISON



## TABLE 11

## TREND IN FAMILY INCOME AND PRICES COMPARISONS

| | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| REAL INCOME PROGRESS: | | | | | | | | | | | | | |
| Continuous increase (a) | 10% | 9% | 10% | 10% | 8% | 11% | 13% | 12% | 12% | 13% | 12% | 10% | 9% |
| Intermittent increase (b) | 10 | 12 | 13 | 13 | 10 | 10 | 12 | 14 | 14 | 13 | 12 | 14 | 17 |
| Remain unchanged (c) | 19 | 21 | 17 | 16 | 21 | 20 | 17 | 19 | 19 | 20 | 20 | 21 | 17 |
| Intermittent decline (d) | 23 | 23 | 23 | 24 | 23 | 21 | 23 | 23 | 21 | 22 | 20 | 18 | 22 |
| Continuous decline (e) | 25 | 25 | 27 | 27 | 27 | 28 | 24 | 23 | 23 | 21 | 26 | 26 | 25 |
| Mixed change (f) | 11 | 7 | 7 | 6 | 8 | 7 | 7 | 6 | 8 | 6 | 8 | 7 | 7 |
| DK,NA | 2 | 3 | 3 | 4 | 3 | 3 | 4 | 3 | 3 | 5 | 2 | 4 | 3 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 | 690 |

Combination of the responses to the questions on Tables 9 and 10.

Key: (a) Income up more last year/Income up more next year
(b) Income up more/Same or Income up same/More
(c) Income up same/Same
(d) Prices up more/Same or Prices up same/More
(e) Prices up more/More
(f) Income up more/Prices up more or Prices up more/Income up more

CHART 12 - RECENT CHANGES
NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS

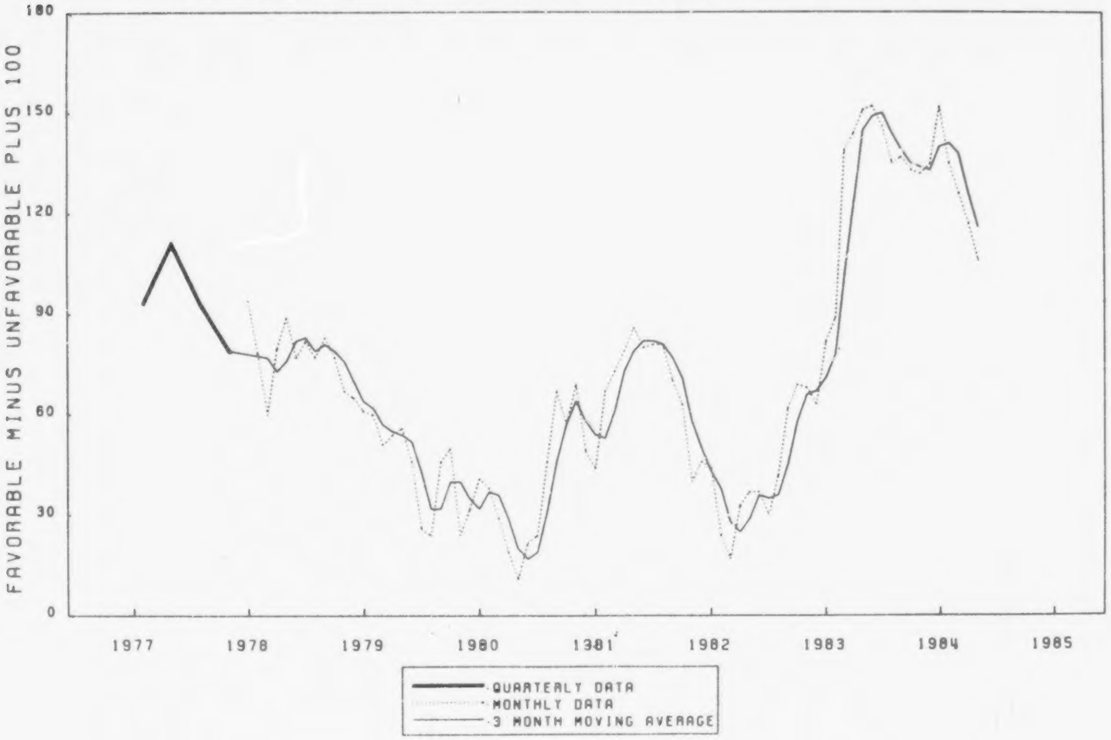
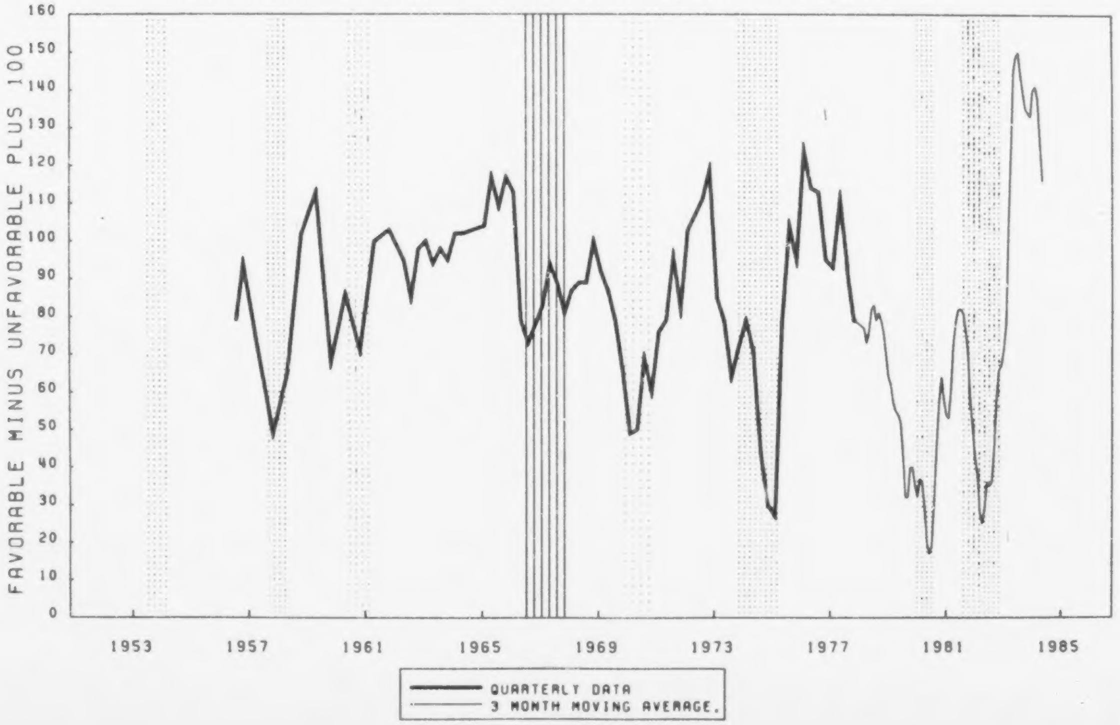


CHART 12 - HISTORICAL SERIES
NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS



## TABLE 12

## NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS +

| | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| FAVORABLE NEWS | 80% | 83% | 74% | 69% | 64% | 63% | 62% | 60% | 78% | 66% | 58% | 49% | 47% |
| UNFAVORABLE NEWS | 29 | 31 | 28 | 34 | 27 | 30 | 30 | 25 | 26 | 31 | 32 | 32 | 41 |
| NO MENTIONS | 31 | 27 | 34 | 34 | 43 | 41 | 39 | 42 | 33 | 38 | 43 | 46 | 41 |

The questions were: "During the last few months, have you heard of any favorable or unfavorable changes in business conditions?" and "What did you hear?"

+ : May add to more than 100% due to multiple mentions.

CHART 13A - HISTORICAL SERIES
TYPE OF NEWS HEARD ABOUT CHANGES IN BUSINESS CONDITIONS

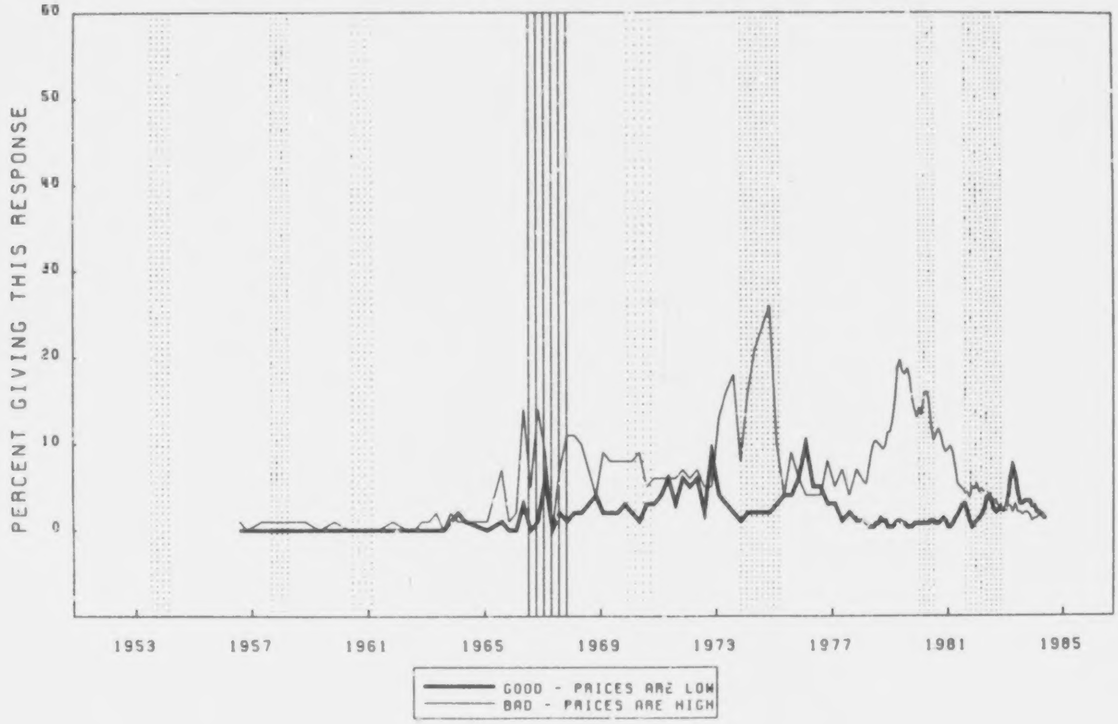
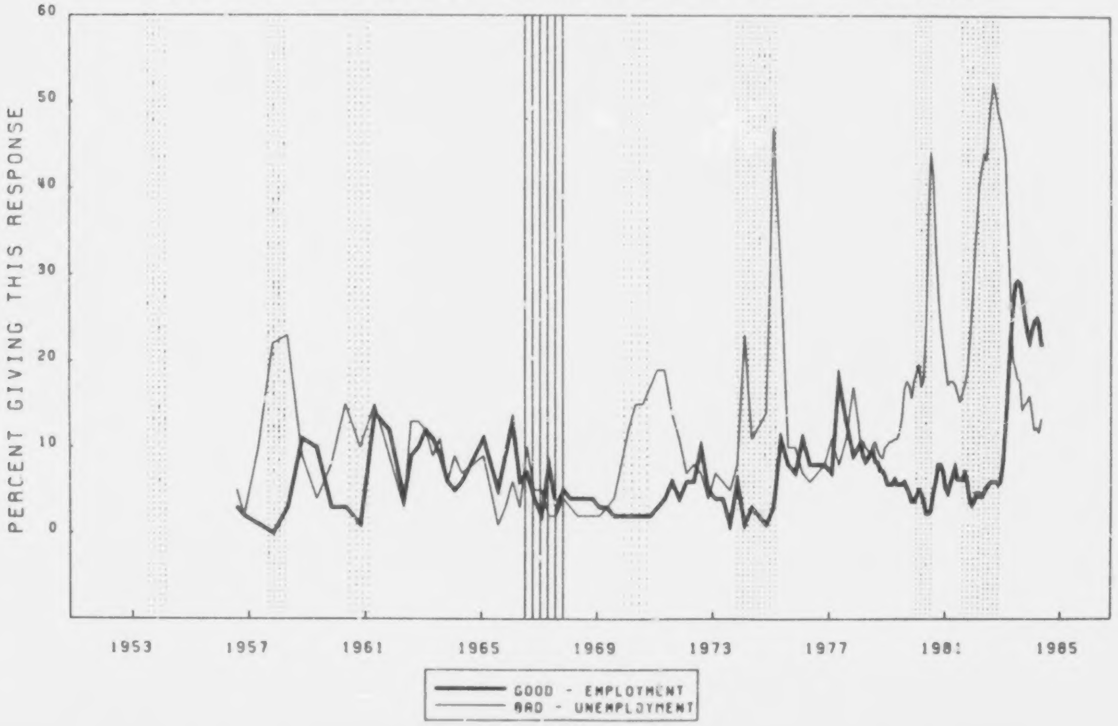


CHART 13B - HISTORICAL SERIES
TYPE OF NEWS HEARD ABOUT CHANGES IN BUSINESS CONDITIONS



## TABLE 13

## SELECTED ITEMS OF NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS +

| | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| FAVORABLE NEWS: | | | | | | | | | | | | | |
| Government; elections | 1% | 1% | 2% | 2% | 1% | 2% | 2% | 1% | 3% | 2% | 1% | 1% | 1% |
| Employment | 28 | 31 | 29 | 27 | 25 | 23 | 22 | 22 | 27 | 25 | 25 | 23 | 18 |
| Consumer demand high | 11 | 12 | 11 | 13 | 11 | 11 | 13 | 12 | 18 | 15 | 10 | 8 | 10 |
| Prices are low | 3 | 3 | 3 | 3 | 4 | 3 | 3 | 2 | 3 | 1 | 2 | 1 | 1 |
| Credit is easy | 16 | 17 | 11 | 8 | 8 | 7 | 5 | 4 | 5 | 4 | 5 | 4 | 2 |
| UNFAVORABLE NEWS: | | | | | | | | | | | | | |
| Government; elections | 3 | 2 | 2 | 3 | 1 | 1 | 2 | 3 | 2 | 5 | 4 | 2 | 3 |
| Unemployment | 17 | 21 | 16 | 16 | 11 | 18 | 17 | 13 | 13 | 10 | 14 | 11 | 15 |
| Consumer demand low | 2 | 2 | 2 | 2 | 1 | 1 | 2 | * | 2 | 1 | 1 | * | 2 |
| Prices are high | 3 | 2 | 1 | 2 | 3 | 1 | 1 | 1 | 2 | 1 | 2 | 1 | 2 |
| Credit is tight | 1 | 1 | 3 | 6 | 4 | 2 | 1 | 2 | 1 | 2 | 3 | 9 | 10 |
| Energy crisis | * | * | * | * | * | * | * | * | * | * | * | * | * |

The questions were: "During the last few months, have you heard of any favorable or unfavorable changes in business conditions?" and "What did you hear?"

+ : May add to more than 100% due to multiple mentions.

* : Less than half of one percent.

CHART 14 - RECENT CHANGES
CURRENT BUSINESS CONDITIONS COMPARED WITH A YEAR AGO

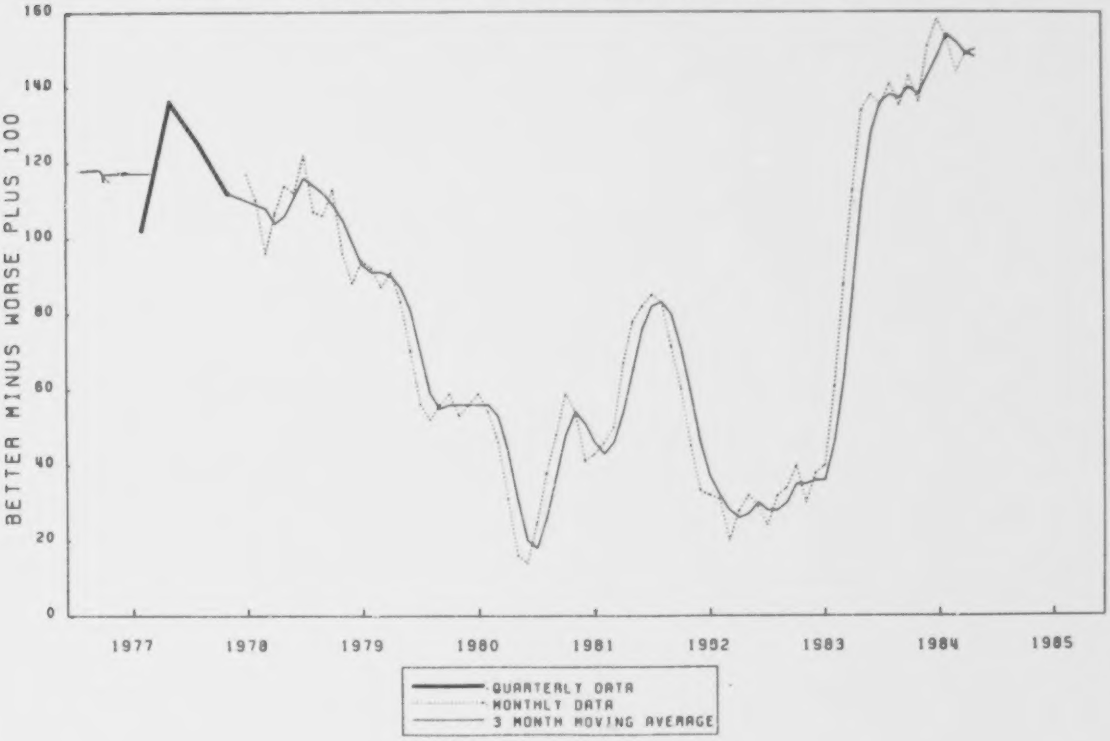
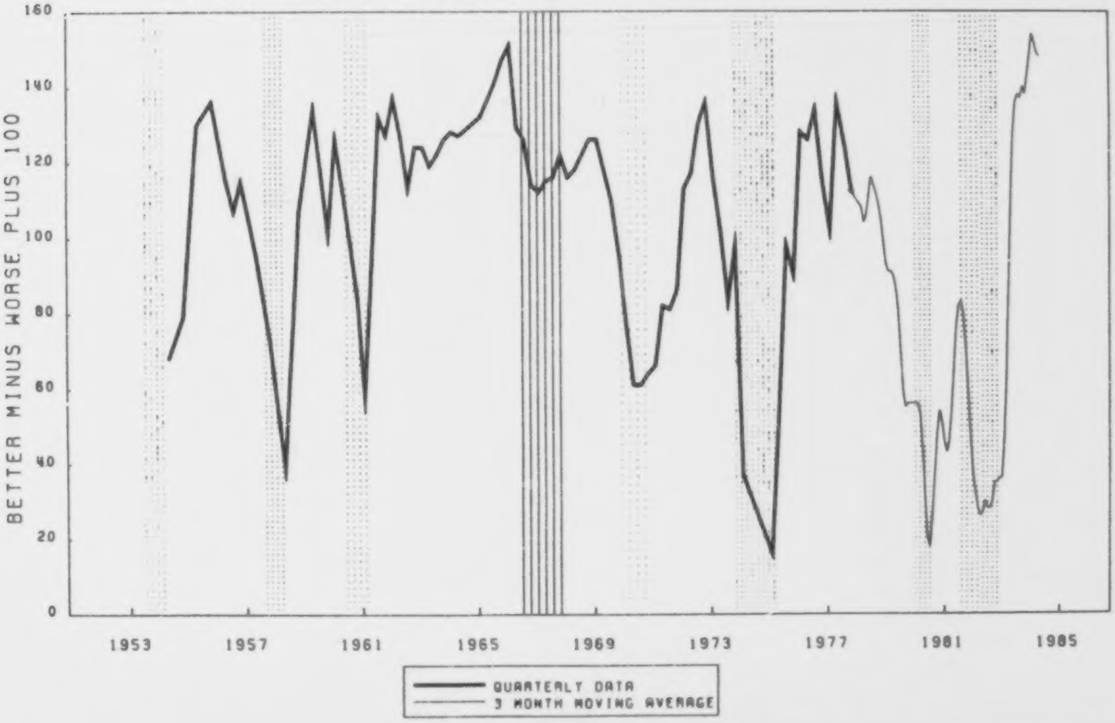


CHART 14 - HISTORICAL SERIES
CURRENT BUSINESS CONDITIONS COMPARED WITH A YEAR AGO



## TABLE 14

## CURRENT BUSINESS CONDITIONS COMPARED TO A YEAR AGO

| | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| BETTER NOW | 62% | 64% | 63% | 66% | 62% | 66% | 63% | 71% | 75% | 72% | 67% | 68% | 70% |
| SAME | 10 | 9 | 8 | 8 | 10 | 9 | 8 | 8 | 6 | 8 | 9 | 11 | 9 |
| WORSE NOW | 28 | 26 | 28 | 25 | 27 | 23 | 27 | 20 | 17 | 19 | 23 | 19 | 20 |
| DK,NA | * | 1 | 1 | 1 | 1 | 2 | 2 | 1 | 2 | 1 | 1 | 2 | 1 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 | 690 |

The question was: "Would you say that at the present time business conditions are better or worse than they were a year ago?"

* : Less than half of one percent.

CHART 15 - RECENT CHANGES
EXPECTED CHANGE IN BUSINESS CONDITIONS IN A YEAR

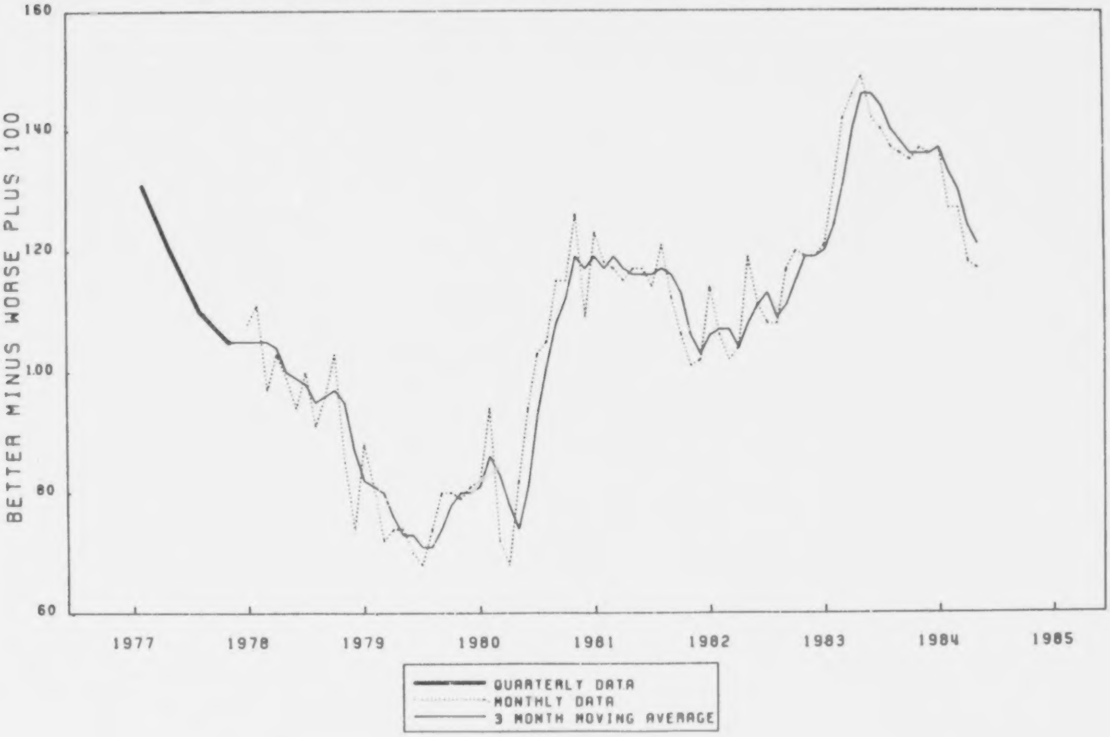
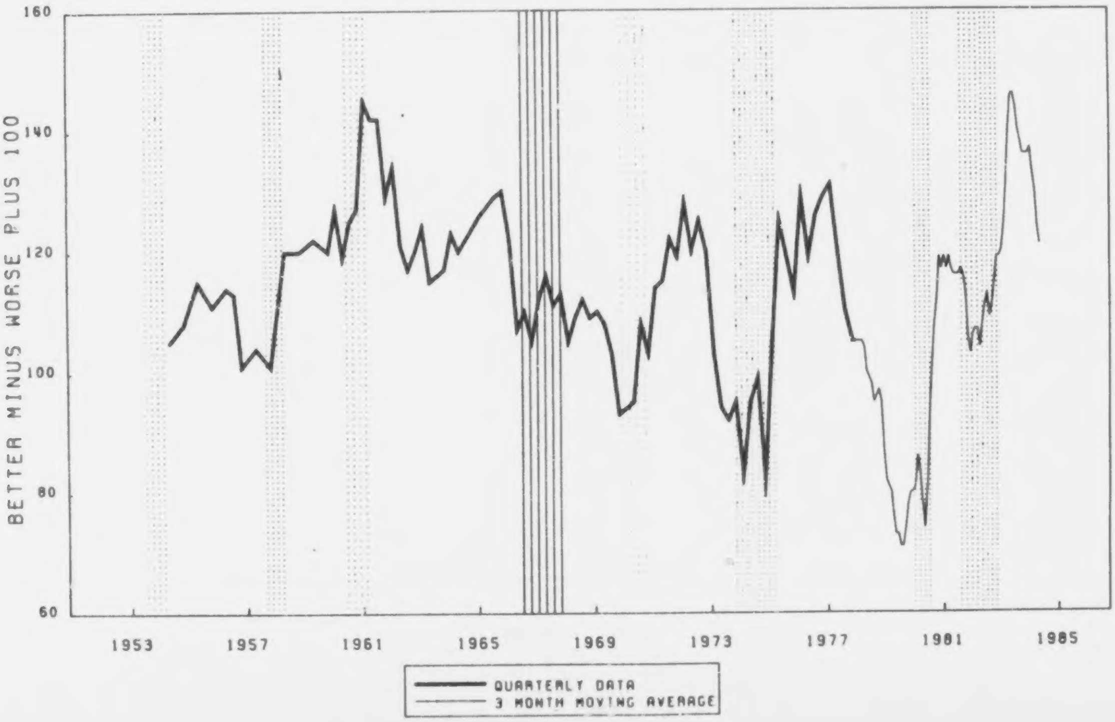


CHART 15 - HISTORICAL SERIES
EXPECTED CHANGE IN BUSINESS CONDITIONS IN A YEAR



## TABLE 15

## EXPECTED CHANGE IN BUSINESS CONDITIONS IN A YEAR

|  | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| BETTER | 55% | 49% | 48% | 47% | 46% | 46% | 46% | 44% | 46% | 38% | 38% | 32% | 31% |
| SAME | 38 | 42 | 42 | 42 | 42 | 41 | 43 | 45 | 43 | 48 | 49 | 52 | 53 |
| WORSE | 6 | 7 | 8 | 10 | 10 | 11 | 9 | 8 | 9 | 11 | 11 | 14 | 14 |
| DK,NA | 1 | 2 | 2 | 1 | 2 | 2 | 2 | 3 | 2 | 3 | 2 | 2 | 2 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 | 690 |

The question was: "And how about a year from now, do you expect that in the country as a whole business conditions will be better, or worse than they are at present, or just about the same?"

CHART 16A - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUSINESS CONDITIONS IN A YEAR

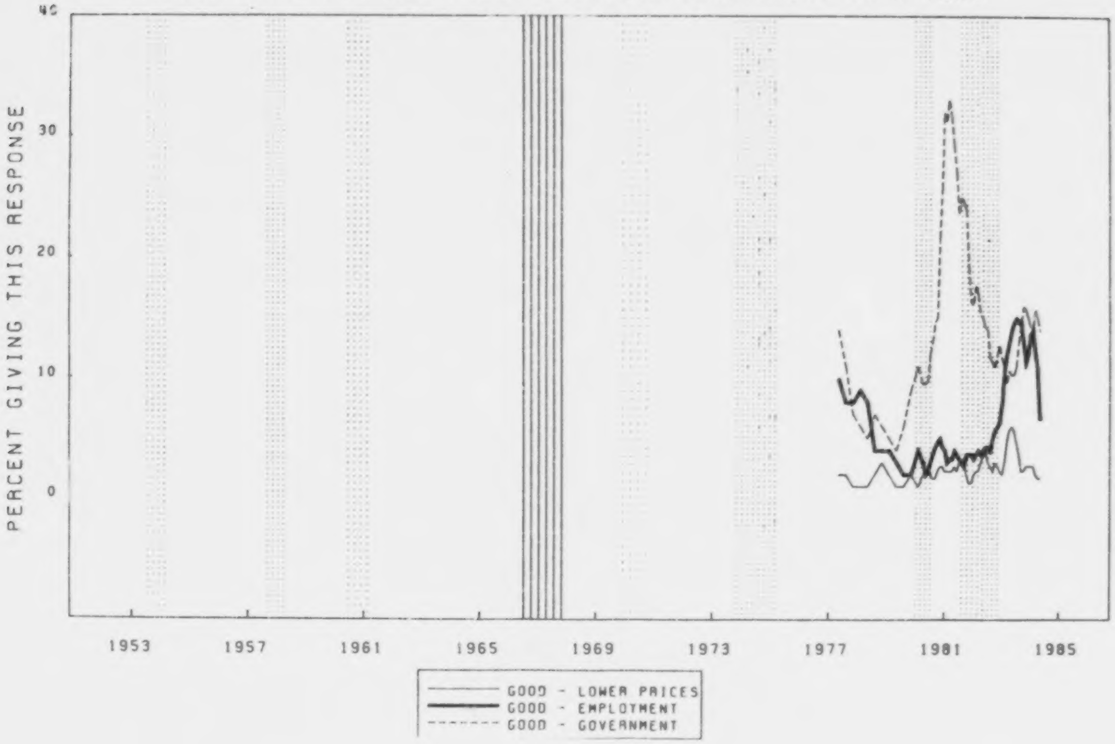
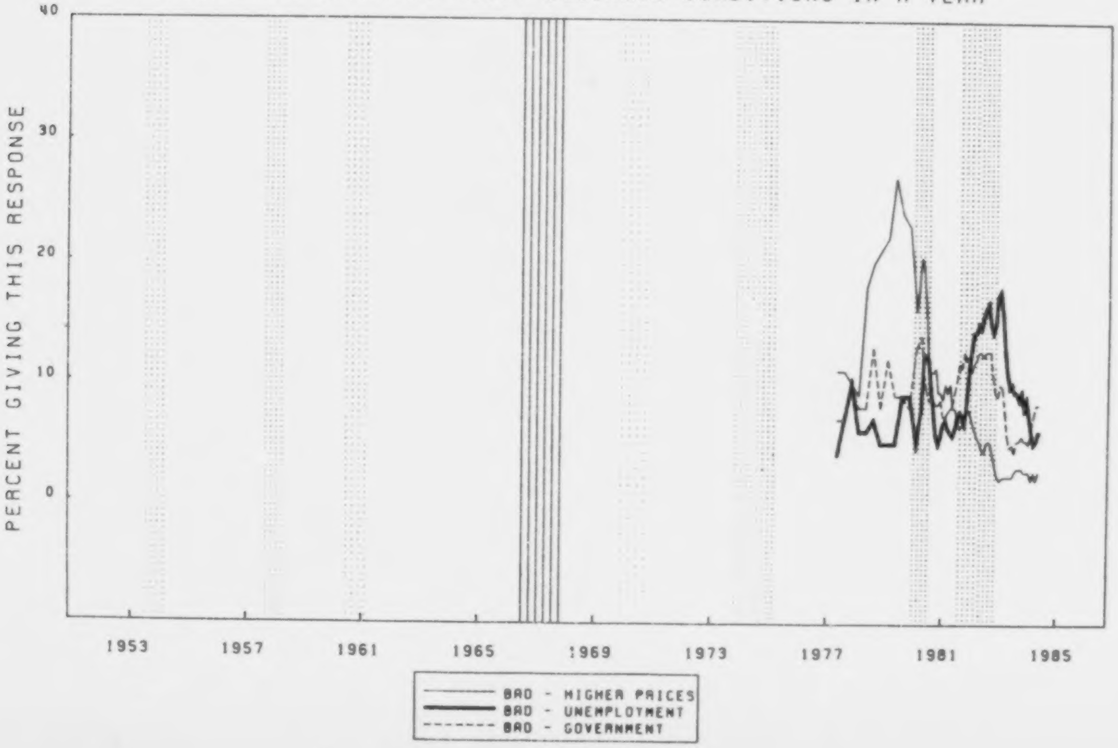


CHART 16B - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUSINESS CONDITIONS IN A YEAR



## TABLE 16

## REASONS FOR OPINIONS ABOUT CHANGES IN BUSINESS CONDITIONS IN A YEAR +

| | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| FAVORABLE REASONS: | | | | | | | | | | | | | |
| Government; elections | 10% | 10% | 13% | 16% | 15% | 17% | 15% | 13% | 15% | 15% | 17% | 13% | 12% |
| Employment | 16 | 14 | 15 | 15 | 14 | 10 | 10 | 16 | 15 | 11 | 10 | 11 | 9 |
| Higher consumer demand | 10 | 9 | 7 | 6 | 7 | 8 | 8 | 8 | 8 | 5 | 4 | 4 | 5 |
| Lower prices | 5 | 6 | 3 | 2 | 2 | 3 | 2 | 3 | 3 | 1 | 2 | 1 | 2 |
| Easier credit | 12 | 12 | 7 | 6 | 5 | 6 | 4 | 4 | 3 | 4 | 2 | 2 | 2 |
| UNFAVORABLE REASONS: | | | | | | | | | | | | | |
| Government; elections | 4 | 6 | 4 | 6 | 6 | 5 | 5 | 6 | 4 | 9 | 9 | 7 | 9 |
| Unemployment | 9 | 11 | 8 | 9 | 9 | 10 | 8 | 8 | 6 | 4 | 5 | 7 | 6 |
| Lower consumer demand | 2 | 2 | 4 | 3 | 1 | 3 | 2 | 2 | 2 | 1 | 1 | 2 | 2 |
| Higher prices | 3 | 2 | 3 | 4 | 2 | 3 | 3 | 2 | 3 | 1 | 3 | 2 | 3 |
| Tighter credit | 2 | 3 | 4 | 3 | 2 | 2 | 2 | 1 | 2 | 4 | 2 | 7 | 7 |
| Energy crisis | * | * | * | * | * | * | * | * | * | * | * | * | * |

The question was: "Why do you expect business conditions to be better/the same/worse a year from now?" following the question on table 15.

+ : May add to more than 100% due to multiple mentions.

* : Less than half of one percent.

CHART 17 - RECENT CHANGES
TREND IN PAST AND EXPECTED BUSINESS CONDITIONS

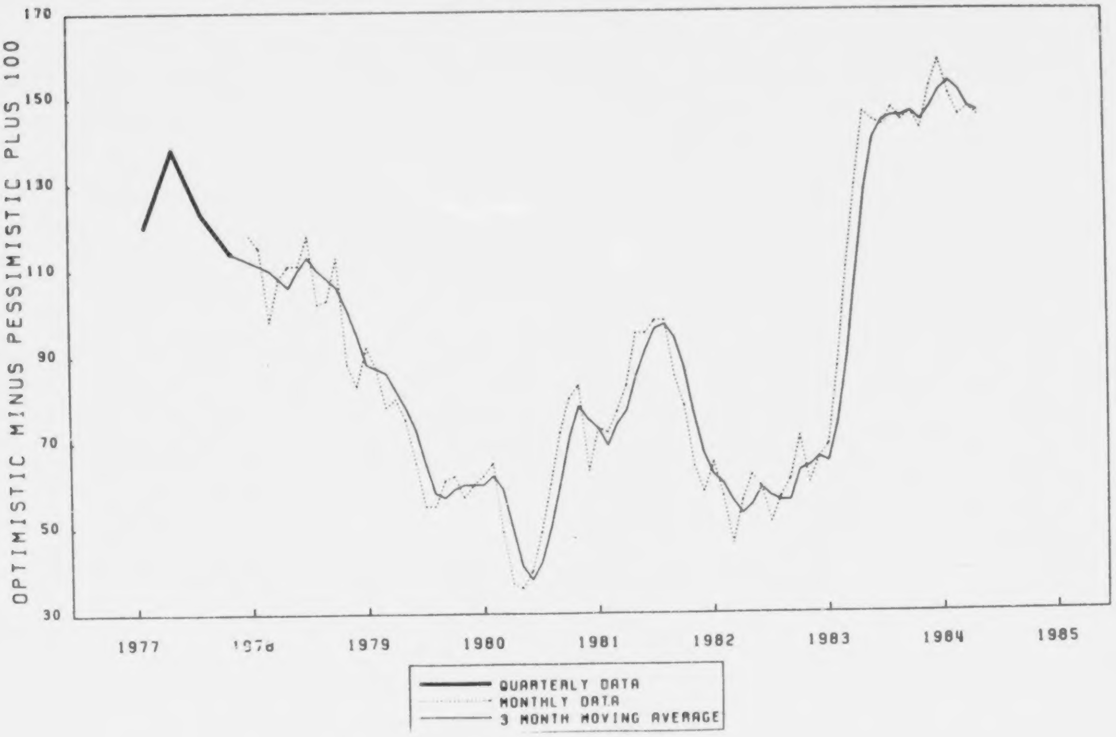
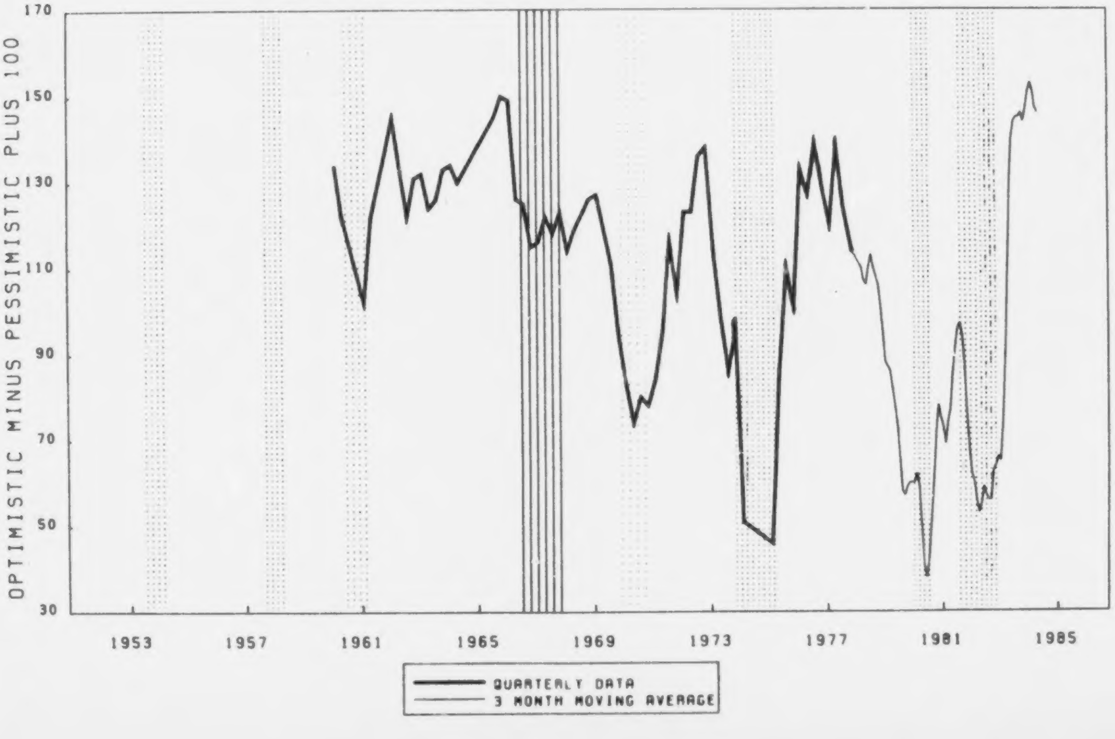


CHART 17 - HISTORICAL SERIES
TREND IN PAST AND EXPECTED BUSINESS CONDITIONS



## TABLE 17

## TREND IN PAST AND EXPECTED CHANGES IN BUSINESS CONDITIONS

| | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| TREND: | | | | | | | | | | | | | |
| Continuous increase (a) | 42% | 39% | 39% | 38% | 34% | 39% | 36% | 38% | 41% | 32% | 31% | 25% | 27% |
| Intermittent increase (b) | 23 | 26 | 24 | 27 | 28 | 26 | 27 | 30 | 31 | 34 | 32 | 39 | 36 |
| Remain unchanged (c) | 5 | 5 | 5 | 6 | 7 | 5 | 4 | 6 | 4 | 5 | 6 | 7 | 7 |
| Intermittent decline (d) | 14 | 16 | 15 | 12 | 12 | 13 | 17 | 12 | 10 | 12 | 14 | 10 | 13 |
| Continuous decline (e) | 5 | 5 | 5 | 6 | 6 | 6 | 4 | 4 | 4 | 4 | 4 | 7 | 5 |
| Mixed change (f) | 10 | 7 | 9 | 9 | 10 | 7 | 9 | 7 | 7 | 10 | 10 | 9 | 10 |
| DK,NA | 1 | 2 | 3 | 2 | 3 | 4 | 3 | 3 | 3 | 3 | 3 | 3 | 2 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 | 690 |

Combination of the responses to the questions on Tables 14 and 15.

Key: (a) Better than a year ago/Better a year from now
(b) Better/Same or Same/Better
(c) Same/Same
(d) Worse/Same or Same/Worse
(e) Worse/Worse
(f) Worse/Better or Better/Worse

CHART 18 - RECENT CHANGES

BUSINESS CONDITIONS EXPECTED DURING THE NEXT TWELVE MONTHS

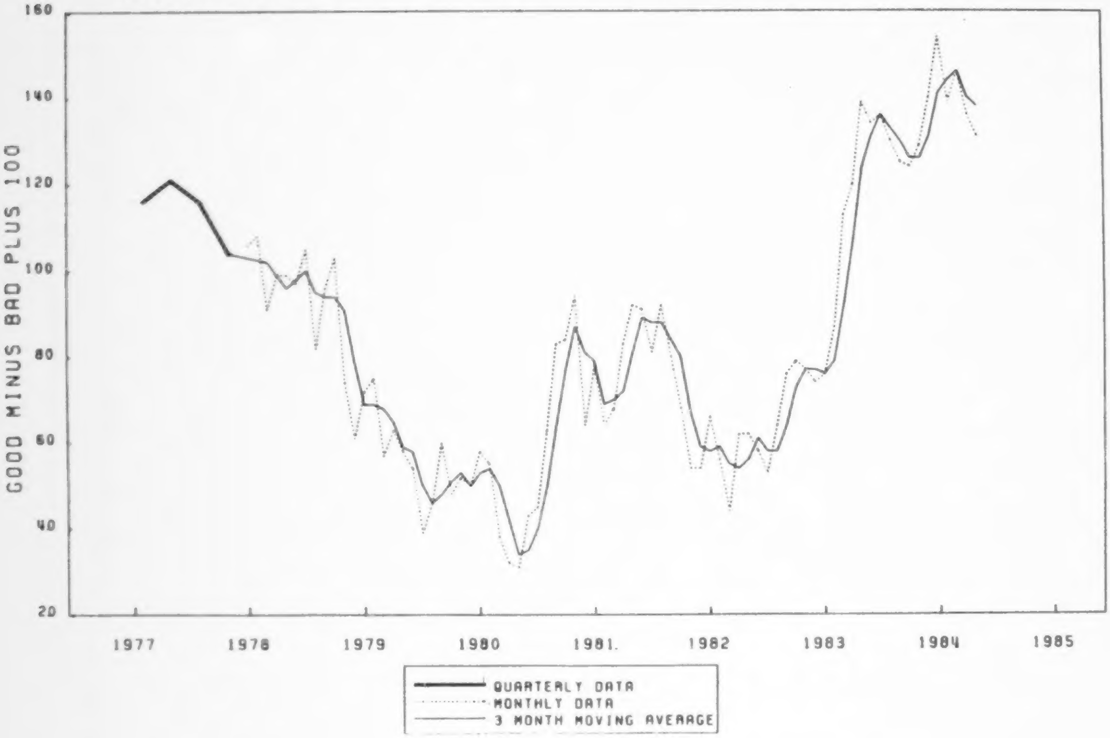


CHART 18 - HISTORICAL SERIES

BUSINESS CONDITIONS EXPECTED DURING THE NEXT TWELVE MONTHS

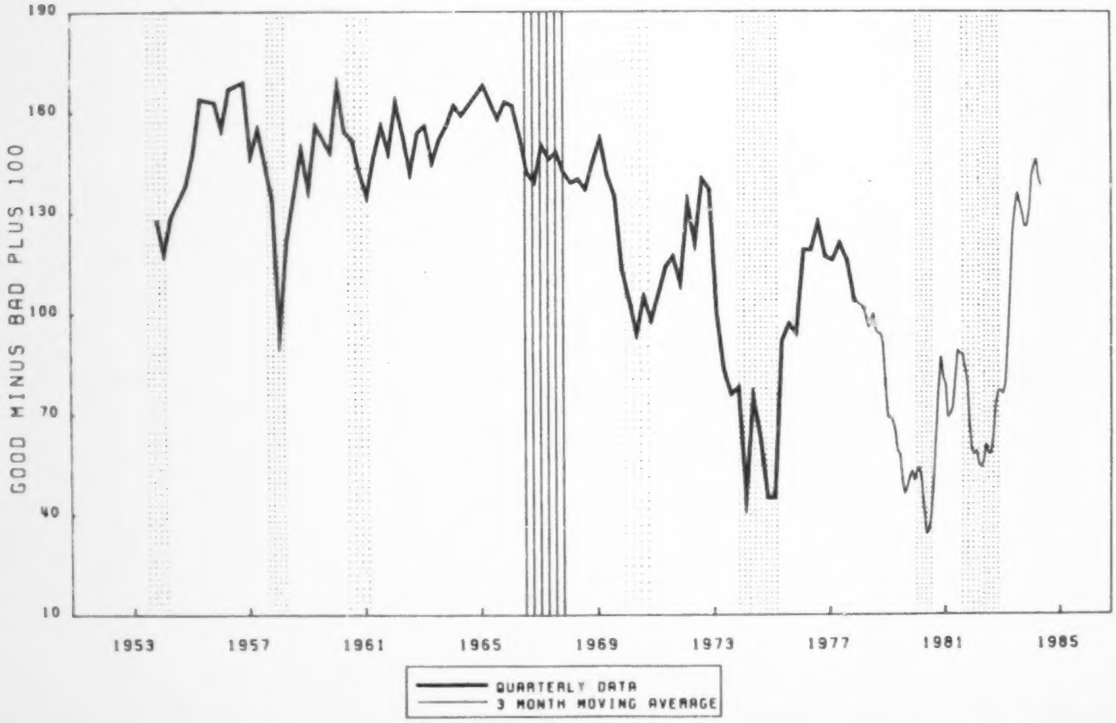


TABLE 18

BUSINESS CONDITIONS EXPECTED DURING THE NEXT 12 MONTHS

| | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| GOOD TIMES | 65% | 63% | 63% | 60% | 58% | 58% | 59% | 67% | 73% | 65% | 69% | 63% | 60% |
| UNCERTAIN; GOOD & BAD | 2 | 3 | 3 | 3 | 2 | 3 | 3 | 2 | 2 | 2 | 2 | 3 | 3 |
| BAD TIMES | 26 | 29 | 27 | 30 | 33 | 34 | 30 | 27 | 19 | 26 | 23 | 27 | 29 |
| DON'T KNOW | 4 | 3 | 6 | 5 | 5 | 4 | 6 | 3 | 5 | 5 | 4 | 5 | 5 |
| NOT ASCERTAINED | 3 | 2 | 1 | 2 | 2 | 1 | 2 | 1 | 1 | 2 | 2 | 2 | 3 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 | 690 |

The question was: "Now turning to business conditions in the country as a whole--do you think that during the next 12 months we'll have good times financially, or bad times or what?"

CHART 19 - RECENT CHANGES
BUSINESS CONDITIONS EXPECTED FOR THE NEXT FIVE YEARS

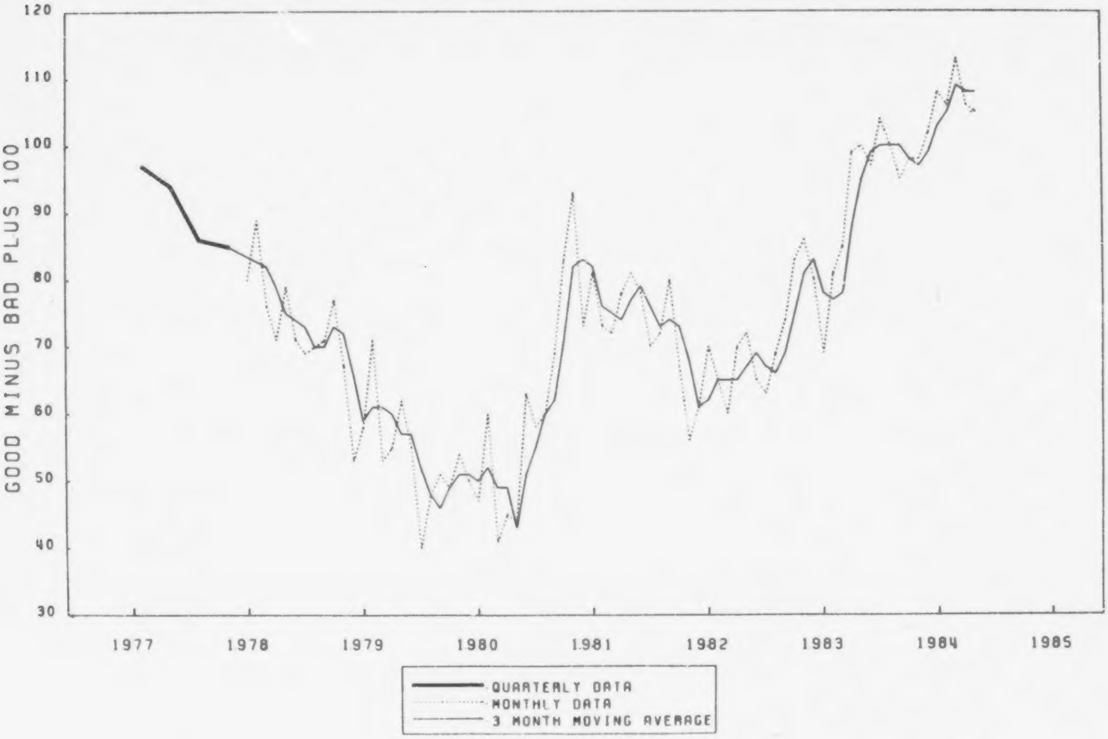
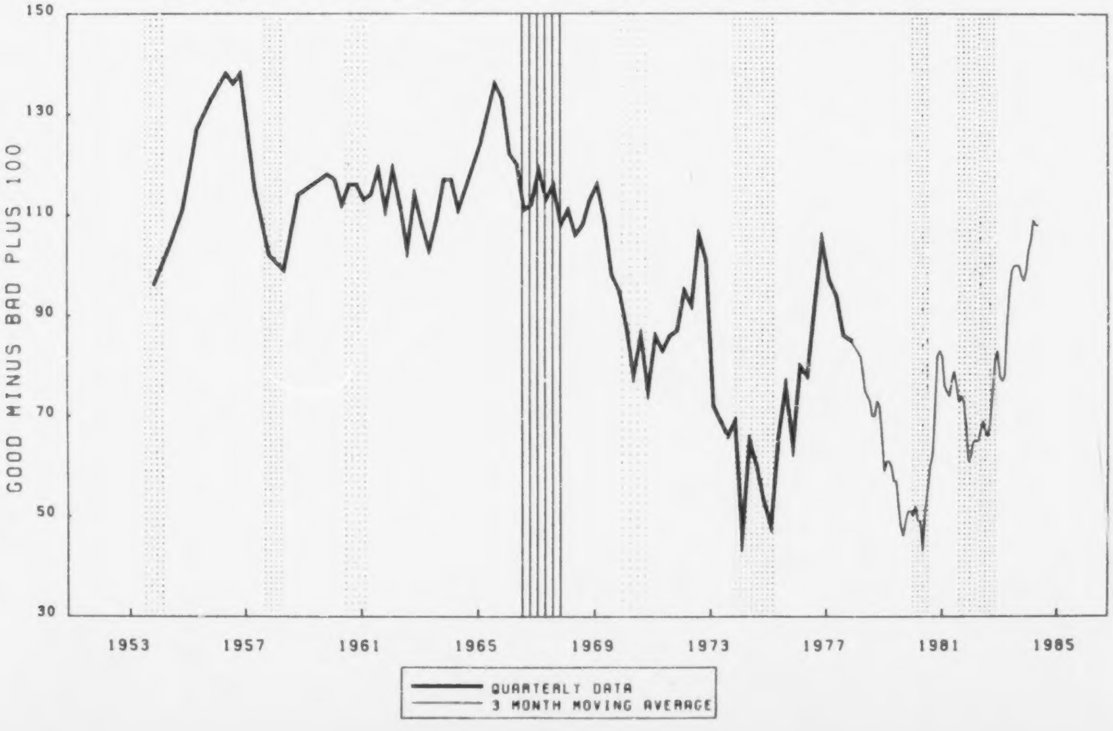


CHART 19 - HISTORICAL SERIES
BUSINESS CONDITIONS EXPECTED FOR THE NEXT FIVE YEARS



## TABLE 19

## BUSINESS CONDITIONS EXPECTED DURING THE NEXT FIVE YEARS

| | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| GOOD TIMES | 39% | 39% | 39% | 37% | 37% | 39% | 39% | 39% | 44% | 42% | 47% | 41% | 43% |
| UNCERTAIN; GOOD & BAD | 18 | 15 | 20 | 22 | 19 | 17 | 15 | 21 | 17 | 16 | 15 | 19 | 15 |
| BAD TIMES | 39 | 42 | 35 | 37 | 42 | 41 | 41 | 37 | 36 | 36 | 34 | 35 | 38 |
| NOT ASCERTAINED | 4 | 4 | 6 | 4 | 2 | 3 | 5 | 3 | 3 | 6 | 4 | 5 | 4 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 | 690 |

The question was: "Looking ahead, which would you say is more likely--that in the country as a whole we'll have continuous good times during the next 5 years or so, or that we will have periods of widespread unemployment or depression, or what?"

CHART 20 - RECENT CHANGES
EXPECTED CHANGE IN UNEMPLOYMENT

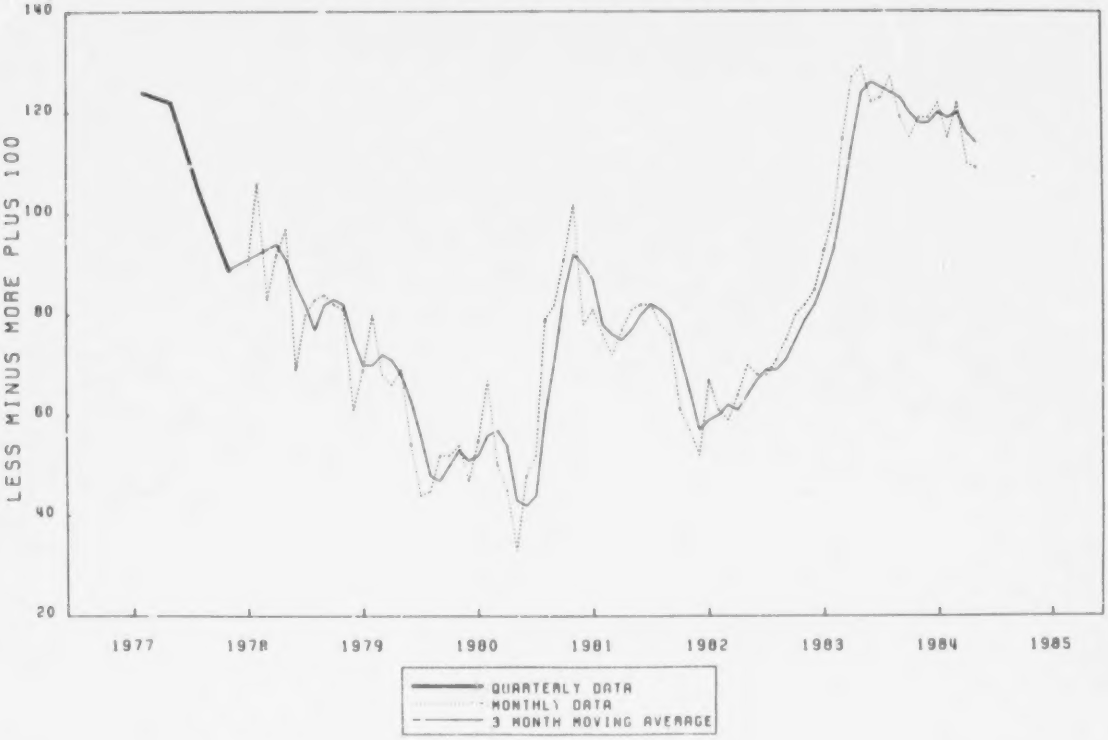
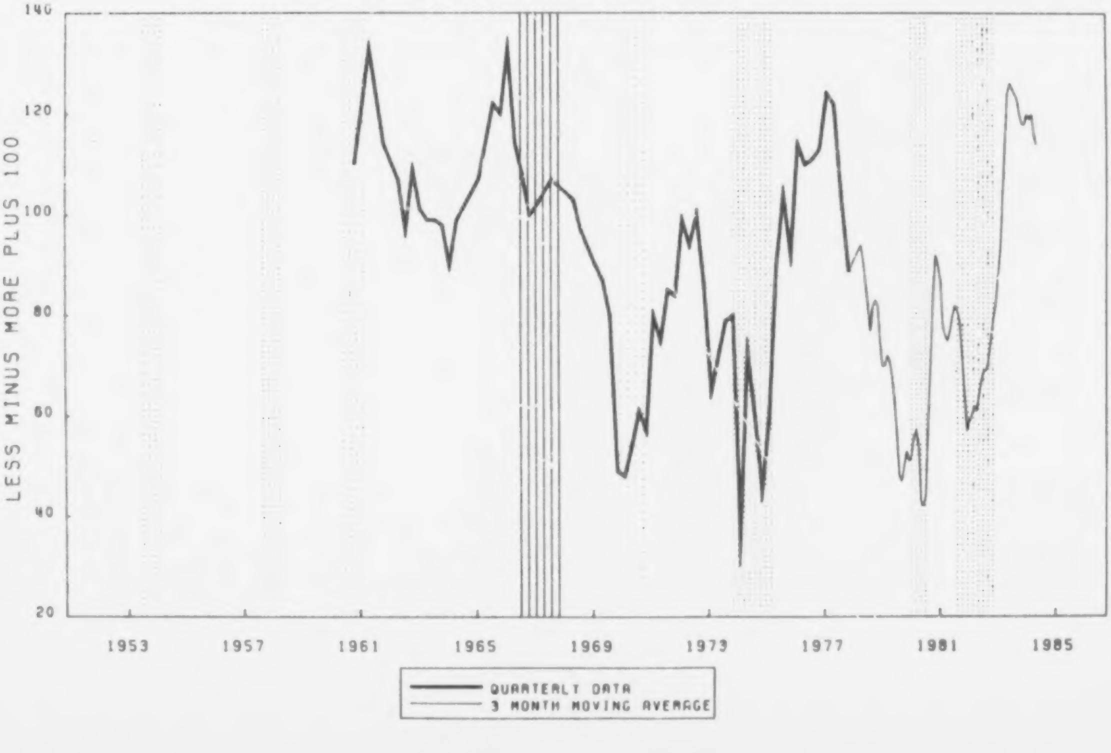


CHART 20 - HISTORICAL SERIES
EXPECTED CHANGE IN UNEMPLOYMENT



## TABLE 20

## EXPECTED CHANGE IN UNEMPLOYMENT

| | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| LESS | 42% | 37% | 39% | 42% | 36% | 35% | 35% | 36% | 36% | 31% | 38% | 28% | 29% |
| SAME | 44 | 47 | 44 | 40 | 46 | 44 | 47 | 45 | 48 | 50 | 45 | 52 | 51 |
| MORE | 13 | 15 | 16 | 15 | 17 | 20 | 16 | 17 | 14 | 16 | 16 | 18 | 20 |
| DK,NA | 1 | 1 | 1 | 3 | 1 | 1 | 2 | 2 | 2 | 3 | 1 | 2 | * |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 | 690 |

The question was: "How about people out of work during the coming 12 months--do you think that there will be more unemployment than now, about the same, or less?"

* : Less than half of one percent.

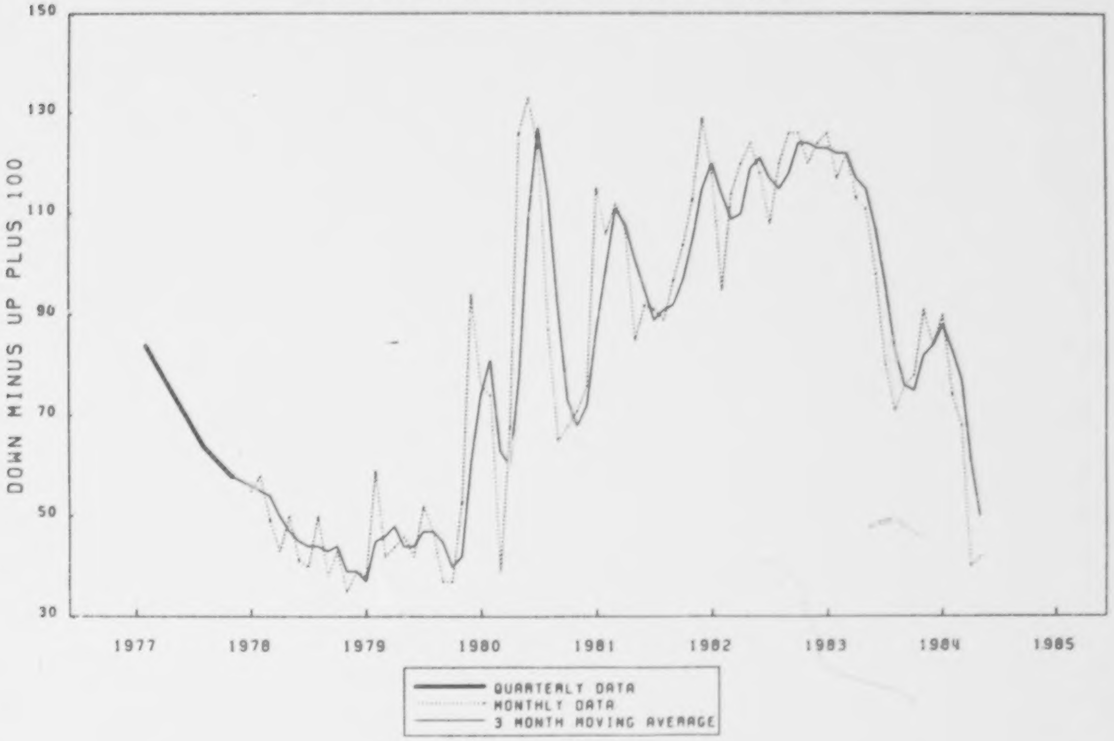


CHART 21 - RECENT CHANGES
EXPECTED CHANGE IN INTEREST RATES

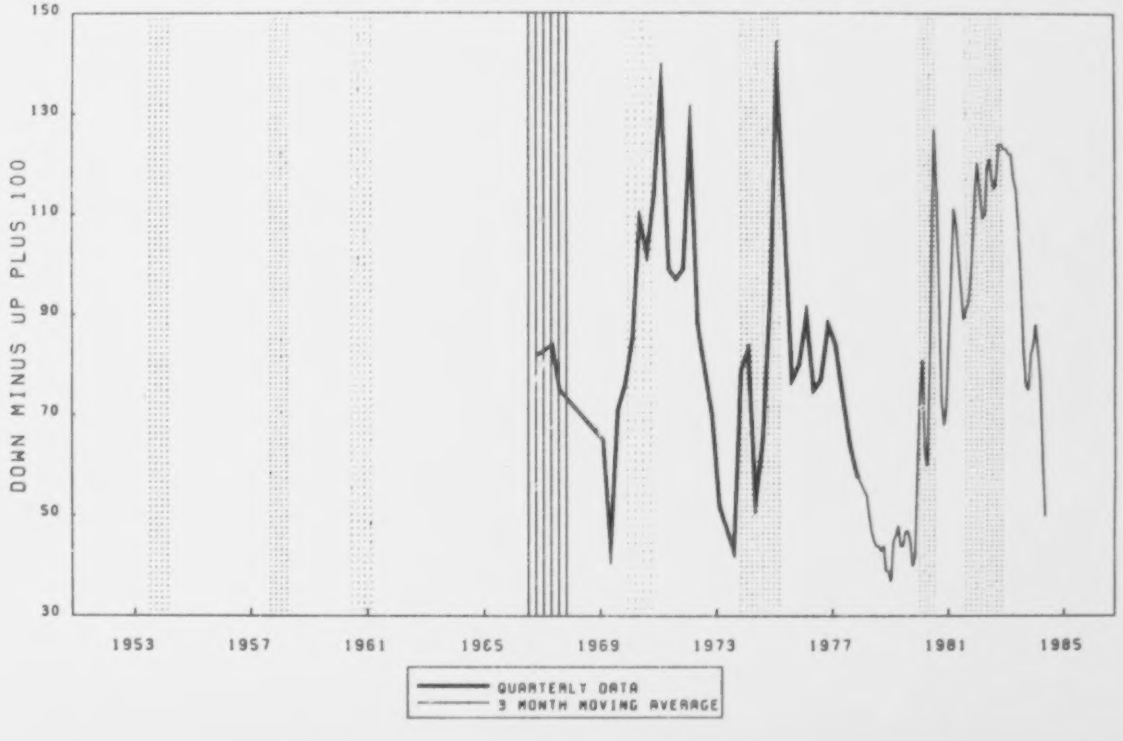


CHART 21 - HISTORICAL SERIES
EXPECTED CHANGE IN INTEREST RATES

## TABLE 21

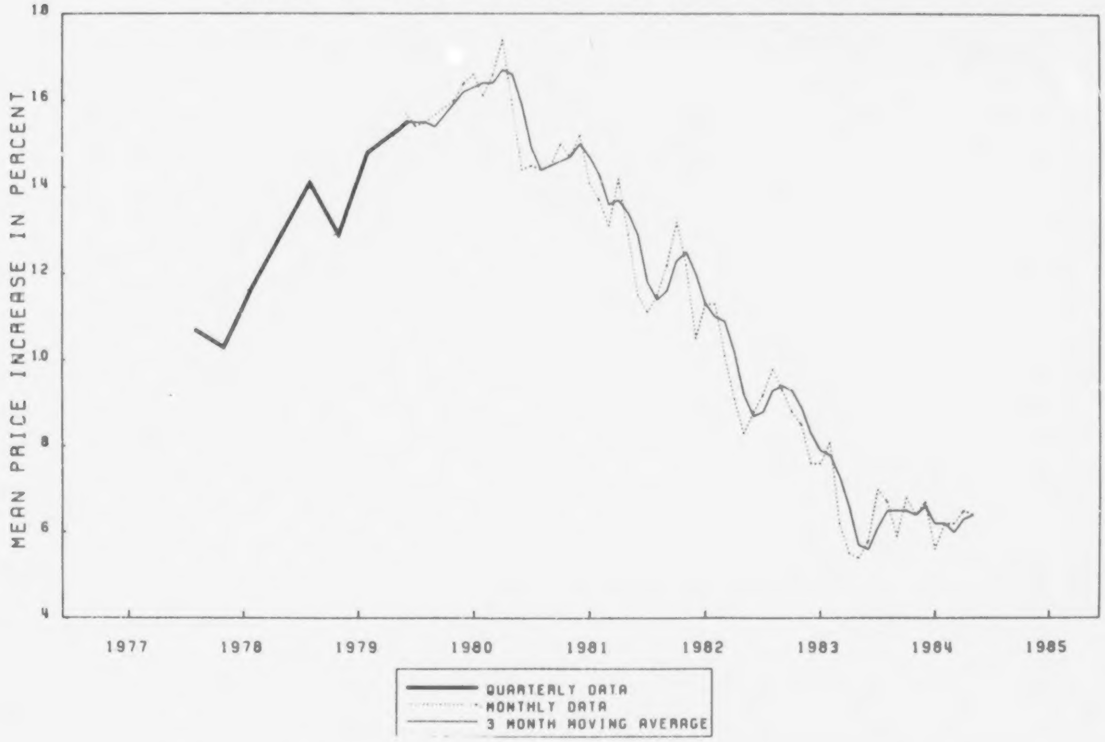
## EXPECTED CHANGE IN INTEREST RATES

| | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| GO UP | 20% | 29% | 40% | 47% | 44% | 43% | 33% | 37% | 32% | 42% | 45% | 68% | 66% |
| STAY THE SAME | 47 | 42 | 37 | 32 | 33 | 33 | 40 | 37 | 43 | 38 | 37 | 21 | 25 |
| GO DOWN | 31 | 27 | 20 | 18 | 20 | 21 | 24 | 21 | 22 | 16 | 13 | 8 | 8 |
| DK,NA | 2 | 2 | 3 | 3 | 3 | 3 | 3 | 5 | 3 | 4 | 5 | 3 | 1 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 | 690 |

The question was: "No one can say for sure, but what do you think will happen to interest rates for borrowing money during the next 12 months--will they go up, stay the same, or go down?"

CHART 22 -- RECENT CHANGES

CHANGE IN PRICES DURING THE LAST 12 MONTHS



## TABLE 22

## CHANGE IN PRICES DURING THE LAST 12 MONTHS

| | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| SAME OR DOWN | 31% | 29% | 23% | 25% | 25% | 21% | 24% | 24% | 23% | 23% | 23% | 22% | 23% |
| GONE UP BY: | | | | | | | | | | | | | |
| 1-2% | 9 | 8 | 8 | 8 | 11 | 8 | 9 | 8 | 12 | 9 | 8 | 10 | 10 |
| 3-4% | 13 | 13 | 14 | 14 | 13 | 14 | 13 | 15 | 16 | 14 | 16 | 14 | 14 |
| 5% | 13 | 14 | 13 | 16 | 15 | 16 | 15 | 15 | 17 | 17 | 15 | 17 | 17 |
| 6-9% | 8 | 11 | 11 | 8 | 7 | 11 | 8 | 8 | 8 | 9 | 10 | 11 | 9 |
| 10-14% | 14 | 11 | 13 | 13 | 12 | 14 | 14 | 11 | 9 | 14 | 12 | 9 | 13 |
| 15% or more | 8 | 10 | 11 | 11 | 9 | 11 | 9 | 10 | 7 | 9 | 9 | 12 | 10 |
| DK how much up | 4 | 3 | 6 | 5 | 7 | 4 | 7 | 8 | 7 | 5 | 7 | 5 | 4 |
| DK,NA | * | 1 | 1 | * | 1 | 1 | 1 | 1 | 1 | * | * | * | * |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| MEAN INCREASE | 5.4 | 5.8 | 7.0 | 6.7 | 5.9 | 6.8 | 6.4 | 6.7 | 5.6 | 6.2 | 6.2 | 6.5 | 6.4 |
| VARIANCE | 61 | 65 | 88 | 93 | 71 | 81 | 76 | 90 | 69 | 68 | 72 | 75 | 78 |
| CASES | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 | 690 |

The questions were: "During the last 12 months, have prices of the things you buy remained unchanged, or have they gone up, or have they gone down?" and "By about what percent do you think prices have gone up,on the average, during the last 12 months?"

* : Less than half of one percent.

CHART 23 - RECENT CHANGES
MEAN EXPECTED PRICE INCREASE OVER THE NEXT 12 MONTHS

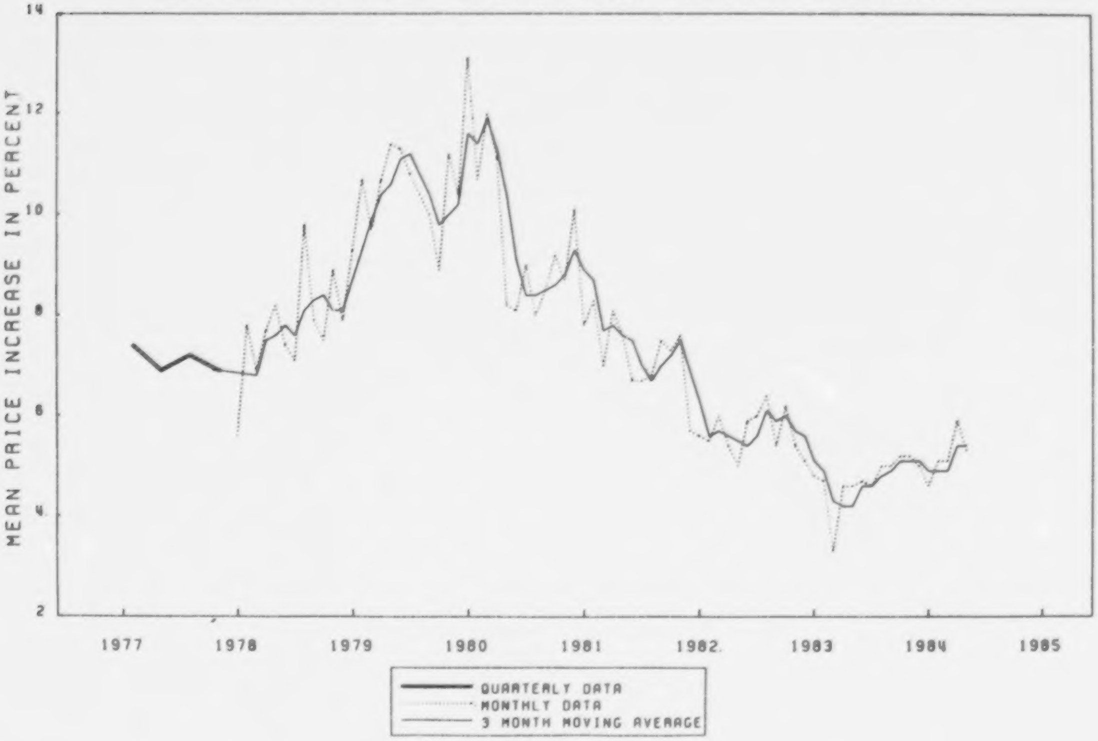
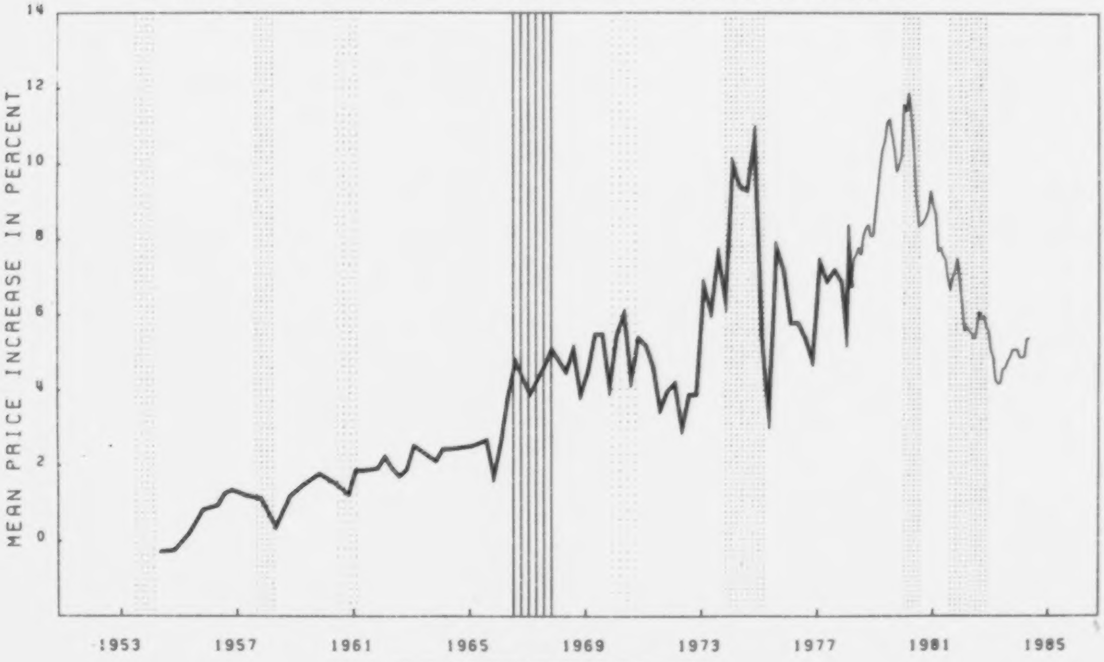


CHART 23 - HISTORICAL SERIES
MEAN EXPECTED PRICE INCREASE OVER THE NEXT 12 MONTHS



## TABLE 23

## EXPECTED CHANGE IN PRICES DURING THE NEXT 12 MONTHS

| | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| SAME OR DOWN | 32% | 33% | 29% | 23% | 28% | 24% | 25% | 23% | 25% | 23% | 24% | 19% | 19% |
| WILL GO UP BY: | | | | | | | | | | | | | |
| 1-2% | 9 | 8 | 12 | 14 | 13 | 12 | 12 | 12 | 13 | 14 | 14 | 13 | 15 |
| 3-4% | 13 | 15 | 15 | 16 | 14 | 15 | 14 | 15 | 20 | 19 | 16 | 17 | 15 |
| 5% | 17 | 16 | 15 | 16 | 16 | 15 | 16 | 17 | 13 | 19 | 15 | 15 | 20 |
| 6-9% | 10 | 9 | 9 | 9 | 7 | 10 | 9 | 8 | 9 | 6 | 10 | 12 | 11 |
| 10-14% | 10 | 9 | 9 | 9 | 10 | 11 | 11 | 11 | 10 | 8 | 11 | 11 | 9 |
| 15% or more | 5 | 6 | 6 | 6 | 7 | 8 | 6 | 5 | 4 | 6 | 5 | 8 | 6 |
| DK how much up | 3 | 3 | 3 | 5 | 4 | 4 | 5 | 7 | 4 | 4 | 4 | 3 | 4 |
| DK,NA | 1 | 1 | 2 | 2 | 1 | 1 | 2 | 2 | 2 | 1 | 1 | 2 | 1 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| MEAN INCREASE | 4.6 | 4.7 | 4.6 | 5.0 | 5.0 | 5.2 | 5.2 | 5.0 | 4.6 | 5.1 | 5.1 | 5.9 | 5.3 |
| VARIANCE | 49 | 54 | 44 | 47 | 51 | 36 | 54 | 44 | 40 | 51 | 55 | 57 | 49 |
| CASES | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 | 690 |

The questions were: "During the next 12 months, do you think that prices in general will go up, or go down, or stay where they are now?" and "By about what percent do you expect prices to go up, on the average, during the next 12 months?"

CHART 24 - RECENT CHANGES
UNEMPLOYMENT OR INFLATION MORE SERIOUS

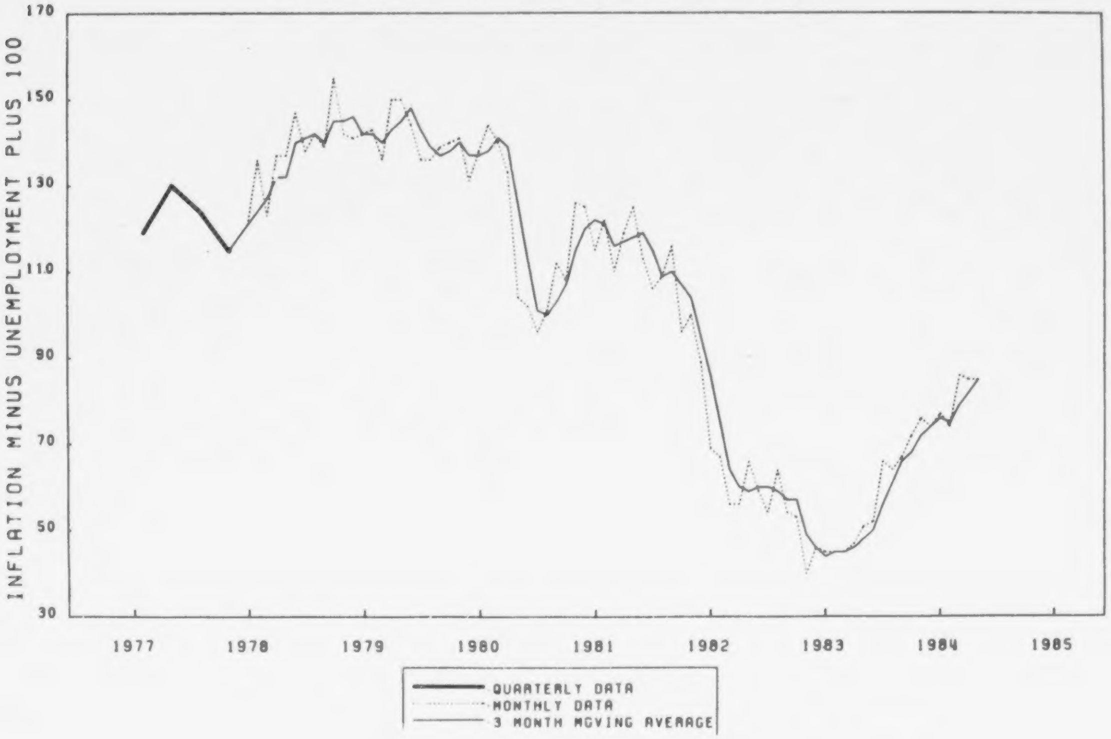
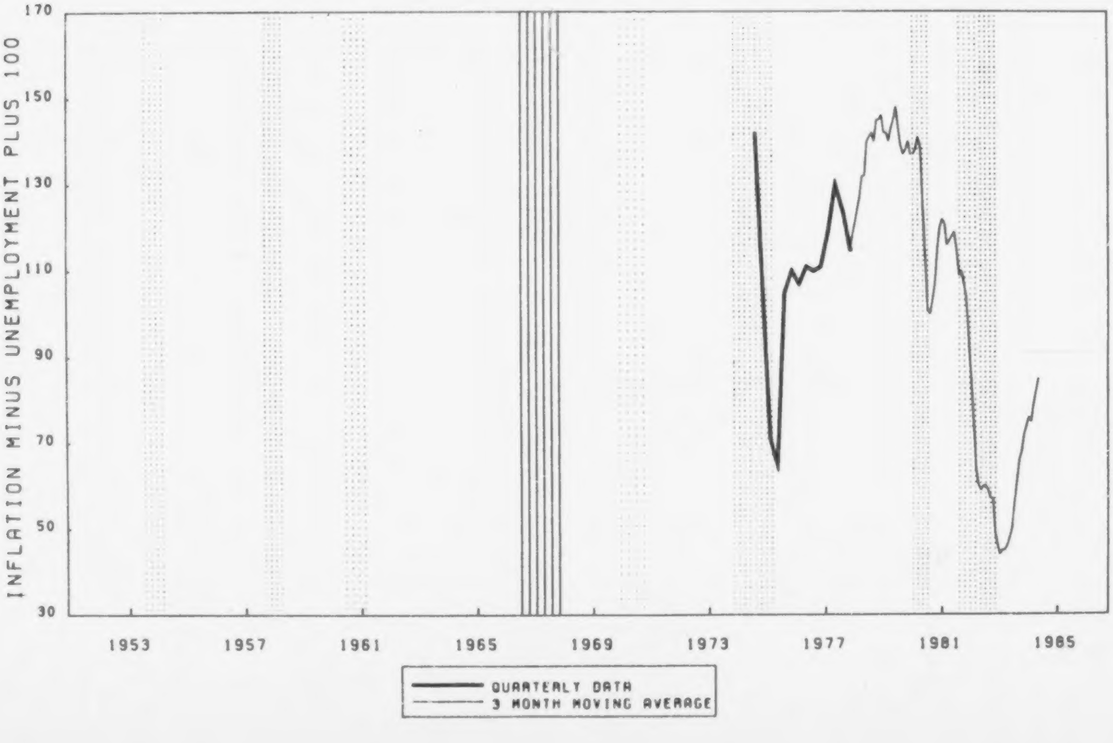


CHART 24 - HISTORICAL SERIES
UNEMPLOYMENT OR INFLATION MORE SERIOUS



## TABLE 24

## UNEMPLOYMENT OR INFLATION MORE SERIOUS ECONOMIC HARDSHIP

| | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| UNEMPLOYMENT | 71% | 70% | 63% | 65% | 62% | 61% | 57% | 59% | 58% | 59% | 52% | 53% | 54% |
| BOTH EQUALLY SERIOUS | 6 | 7 | 6 | 5 | 8 | 5 | 7 | 6 | 4 | 5 | 7 | 7 | 6 |
| INFLATION | 22 | 22 | 29 | 29 | 29 | 33 | 33 | 33 | 35 | 33 | 38 | 38 | 39 |
| DK,NA | 1 | 1 | 2 | 1 | 1 | 1 | 3 | 2 | 3 | 3 | 3 | 2 | 1 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 | 690 |

The question was: "Which of the two problems--unemployment or inflation--do you think will cause the more serious economic hardship for people during the next year or so?"

CHART 25 - RECENT CHANGES

OPINIONS ABOUT THE GOVERNMENT'S ECONOMIC POLICY

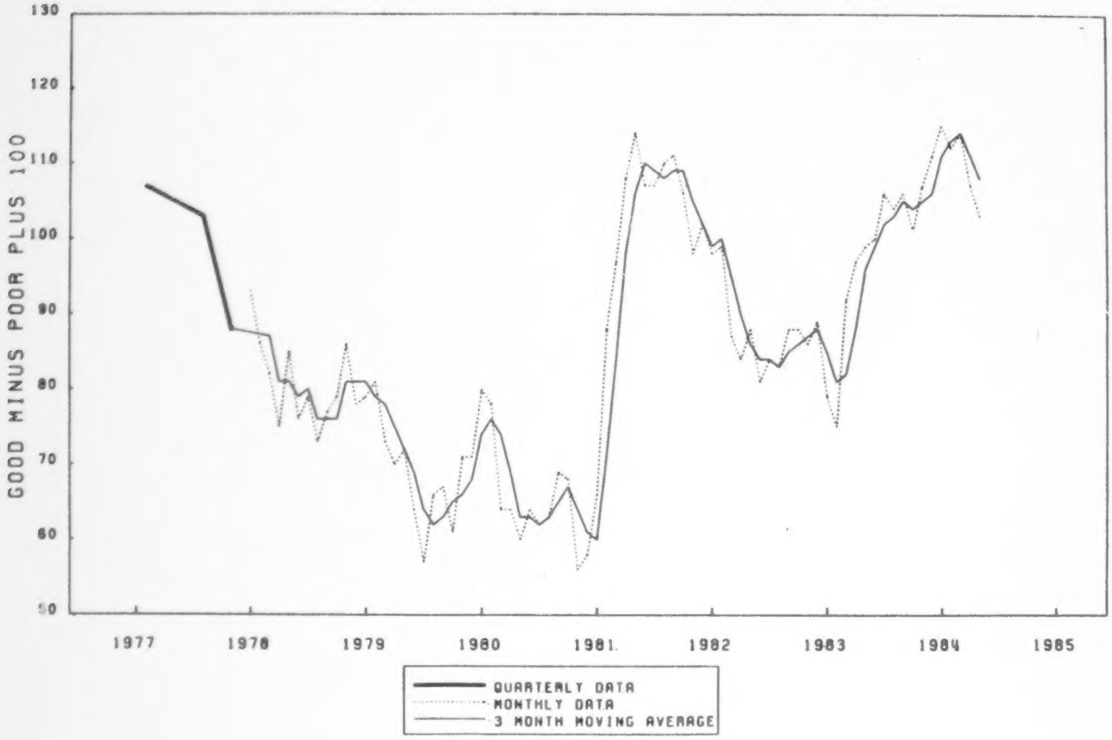
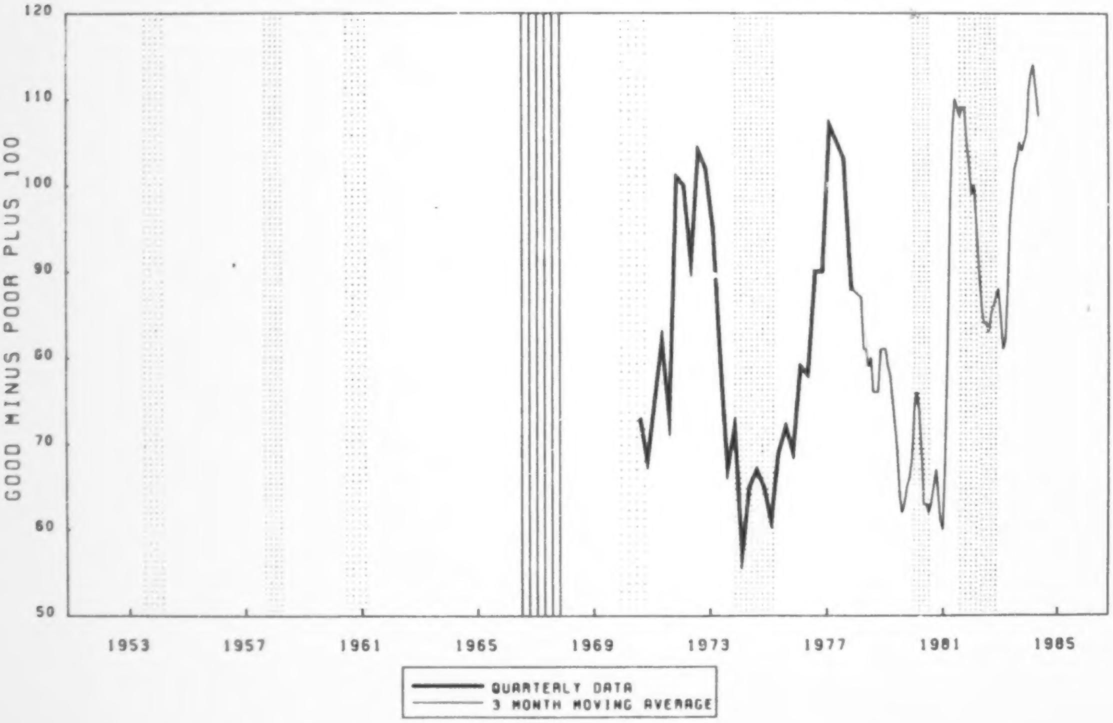


CHART 25 - HISTORICAL SERIES

OPINIONS ABOUT THE GOVERNMENT'S ECONOMIC POLICY



## TABLE 25

## OPINIONS ABOUT THE GOVERNMENT'S ECONOMIC POLICY

| | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| A GOOD JOB | 20% | 23% | 27% | 27% | 27% | 25% | 27% | 29% | 31% | 32% | 33% | 27% | 25% |
| ONLY FAIR | 57 | 52 | 51 | 48 | 50 | 50 | 49 | 51 | 52 | 45 | 47 | 50 | 52 |
| A POOR JOB | 21 | 23 | 21 | 23 | 21 | 24 | 20 | 18 | 16 | 20 | 19 | 20 | 22 |
| DK,NA | 2 | 2 | 1 | 2 | 2 | 1 | 4 | 2 | 1 | 3 | 1 | 3 | 1 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 | 690 |

The question was: "As to the economic policy of the government--I mean steps taken to fight inflation or unemployment--would you say the government is doing a good job, only fair, or a poor job?"

CHART 26 - RECENT CHANGES
BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS

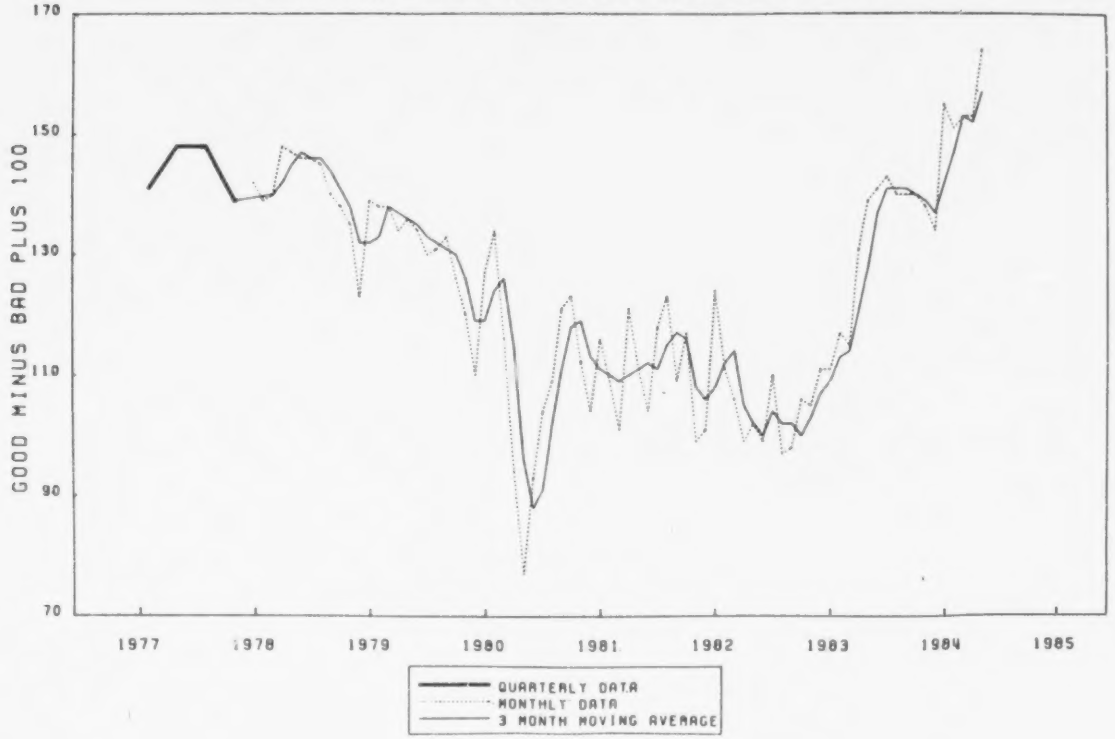
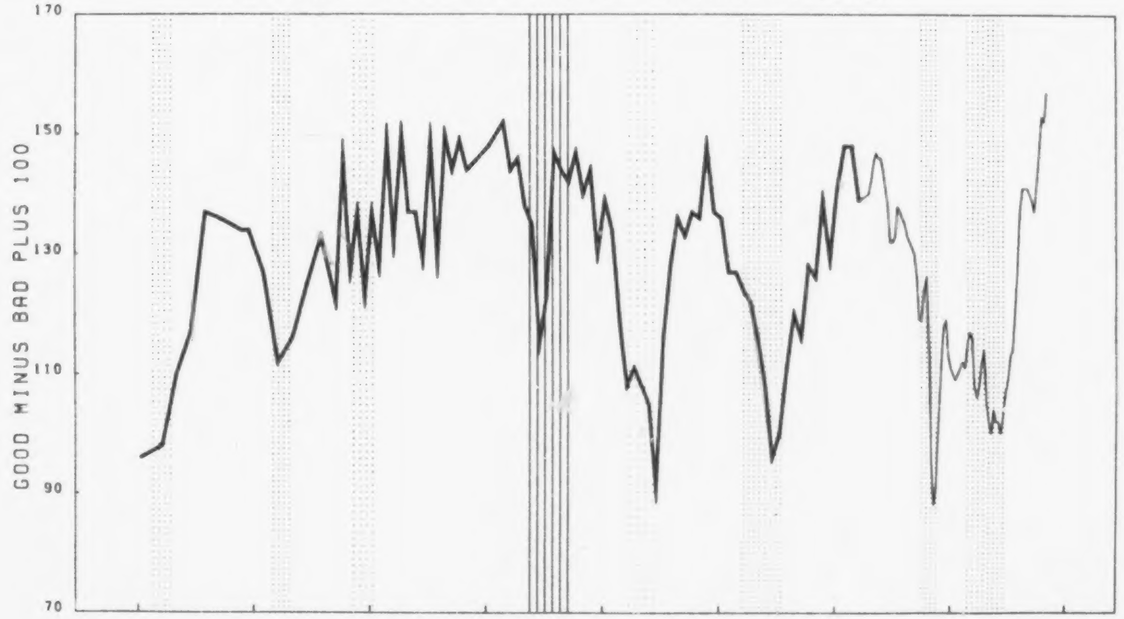


CHART 26 - HISTORICAL SERIES
BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS



## TABLE 26

## BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS

| | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| GOOD TIME TO BUY | 67% | 66% | 67% | 64% | 66% | 65% | 64% | 61% | 73% | 70% | 72% | 72% | 77% |
| UNCERTAIN, DEPENDS | 5 | 9 | 9 | 12 | 8 | 10 | 10 | 12 | 9 | 11 | 9 | 9 | 10 |
| BAD TIME TO BUY | 28 | 25 | 24 | 24 | 26 | 25 | 26 | 27 | 18 | 19 | 19 | 19 | 13 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 | 690 |

The question was: "About the big things people buy for their homes--such as furniture, a refrigerator, stove, television, and things like that. Generally speaking, do you think now is a good or a bad time for people to buy major household items?"

CHART 27A - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR DURABLES

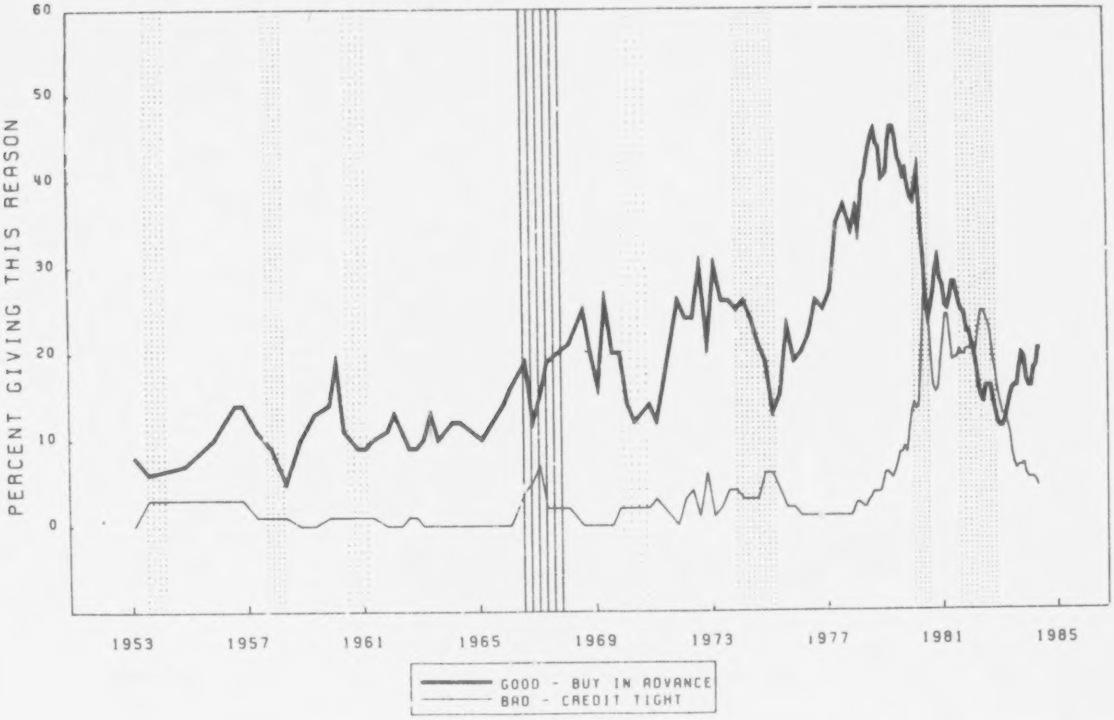
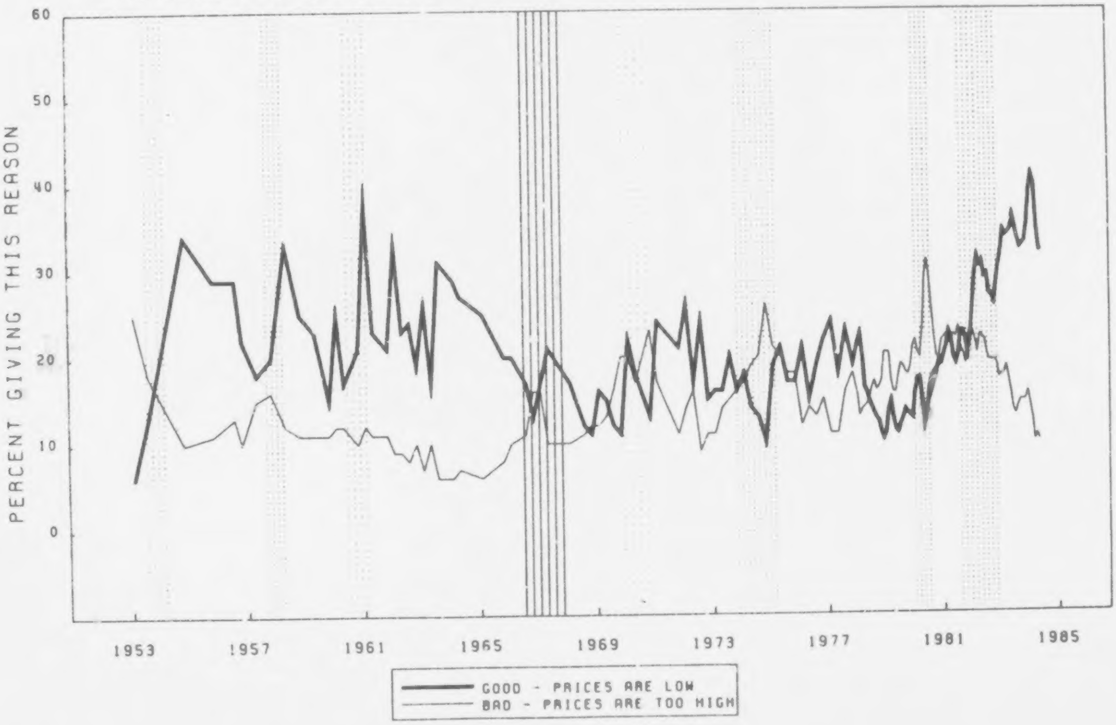


CHART 27B - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR DURABLES



## TABLE 27

## SELECTED REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS +

| | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| GOOD TIME TO BUY: | | | | | | | | | | | | | |
| Prices are low; good buys available | 37% | 35% | 32% | 33% | 32% | 33% | 34% | 38% | 45% | 39% | 35% | 30% | 31% |
| Prices won't come down; are going higher | 17 | 15 | 16 | 17 | 21 | 21 | 16 | 13 | 19 | 16 | 19 | 20 | 22 |
| Interest rates low; credit is easy | 13 | 16 | 13 | 12 | 12 | 7 | 8 | 7 | 9 | 11 | 10 | 14 | 11 |
| BAD TIME TO BUY: | | | | | | | | | | | | | |
| Prices are high | 12 | 13 | 14 | 15 | 15 | 14 | 15 | 18 | 10 | 10 | 10 | 12 | 8 |
| Interest rates are high; credit is tight | 8 | 6 | 7 | 6 | 7 | 7 | 7 | 3 | 6 | 7 | 3 | 5 | 5 |
| Lack of purchasing power | 16 | 12 | 9 | 11 | 11 | 12 | 8 | 10 | 7 | 7 | 9 | 6 | 5 |

Responses to the query: "Why do you say so?" following the question on Table 26.

+ : May add to more than 100% due to multiple mentions.

CHART 28 - RECENT CHANGES
BUYING CONDITIONS FOR HOUSES

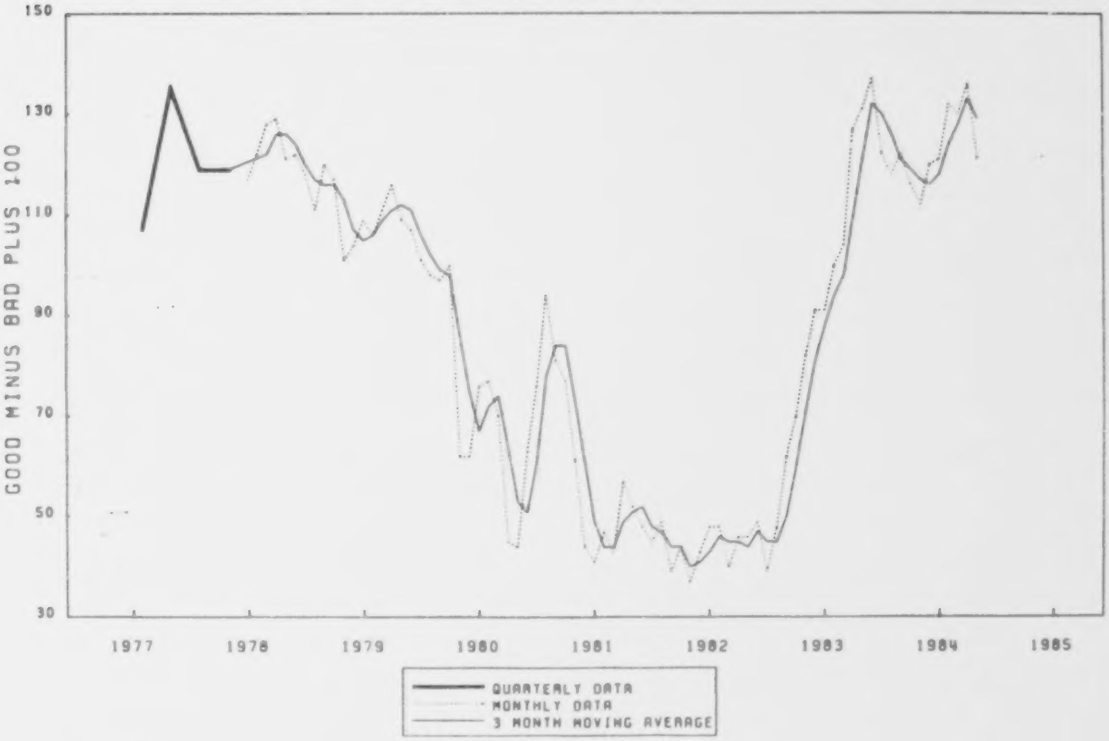
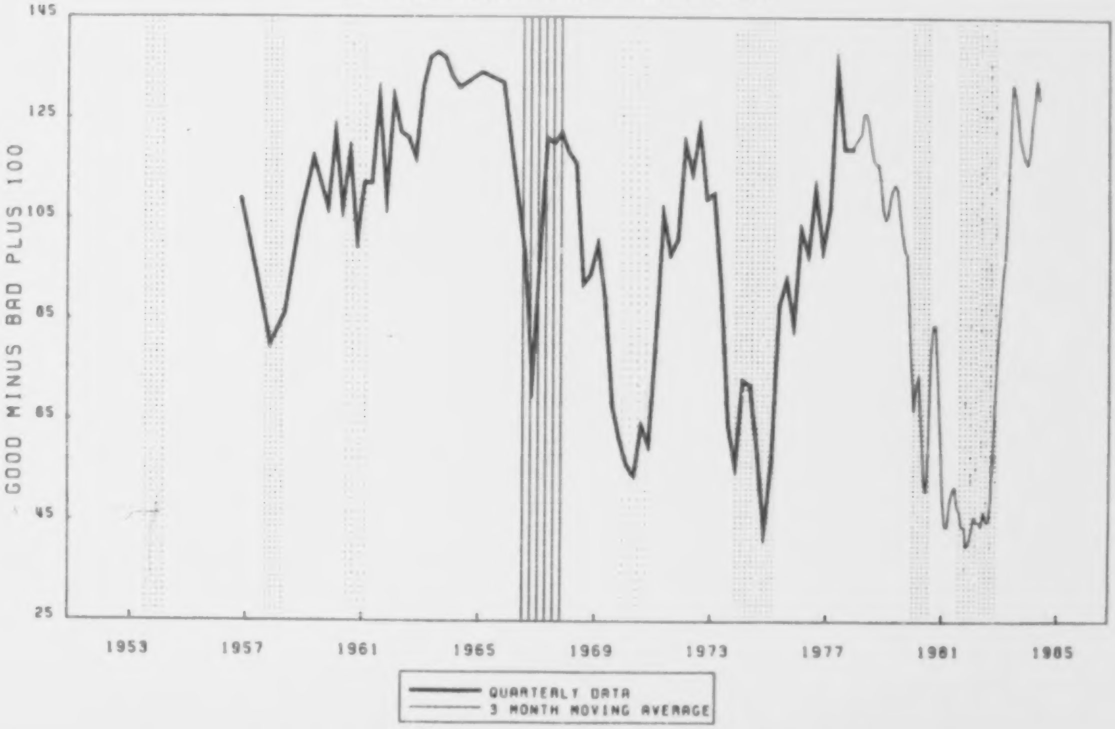


CHART 28 - HISTORICAL SERIES
BUYING CONDITIONS FOR HOUSES



# TABLE 28

## BUYING CONDITIONS FOR HOUSES

| | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| GOOD TIME TO BUY | 64% | 66% | 59% | 57% | 59% | 55% | 53% | 57% | 59% | 63% | 62% | 66% | 58% |
| UNCERTAIN, DEPENDS | 3 | 5 | 4 | 4 | 4 | 6 | 6 | 6 | 3 | 6 | 6 | 4 | 5 |
| BAD TIME TO BUY | 33 | 29 | 37 | 39 | 37 | 39 | 41 | 37 | 38 | 31 | 32 | 30 | 37 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 | 690 |

The question was: "Generally speaking, do you think now is a good time or a bad time to buy a house?"

CHART 29A - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR HOUSES

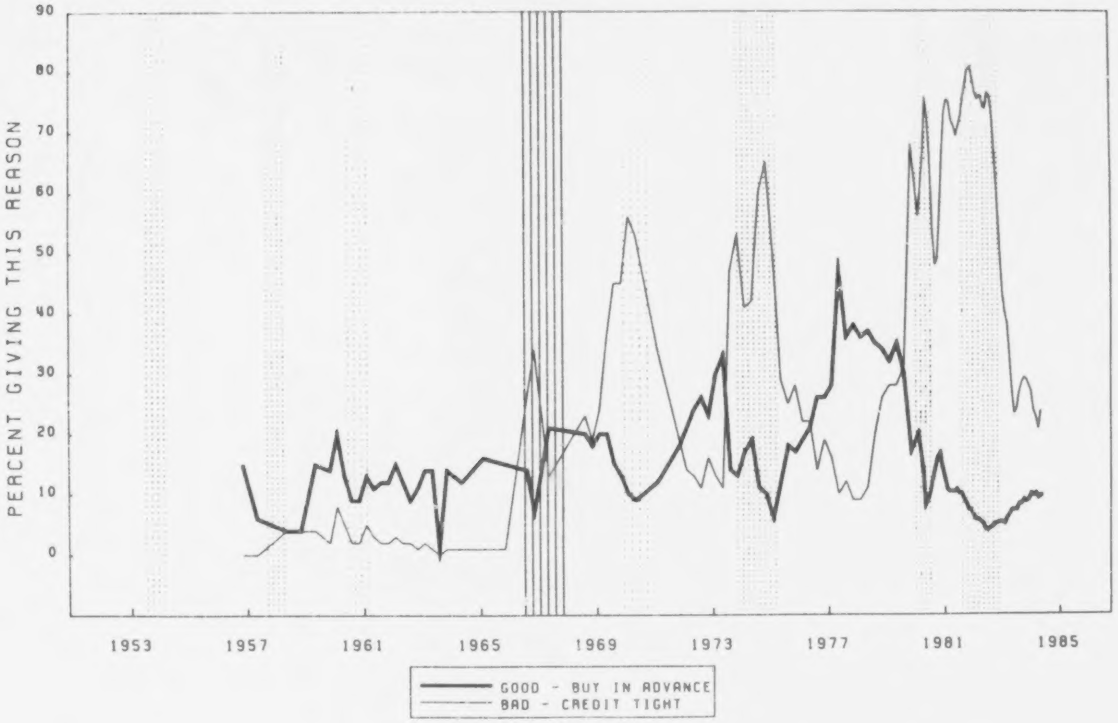
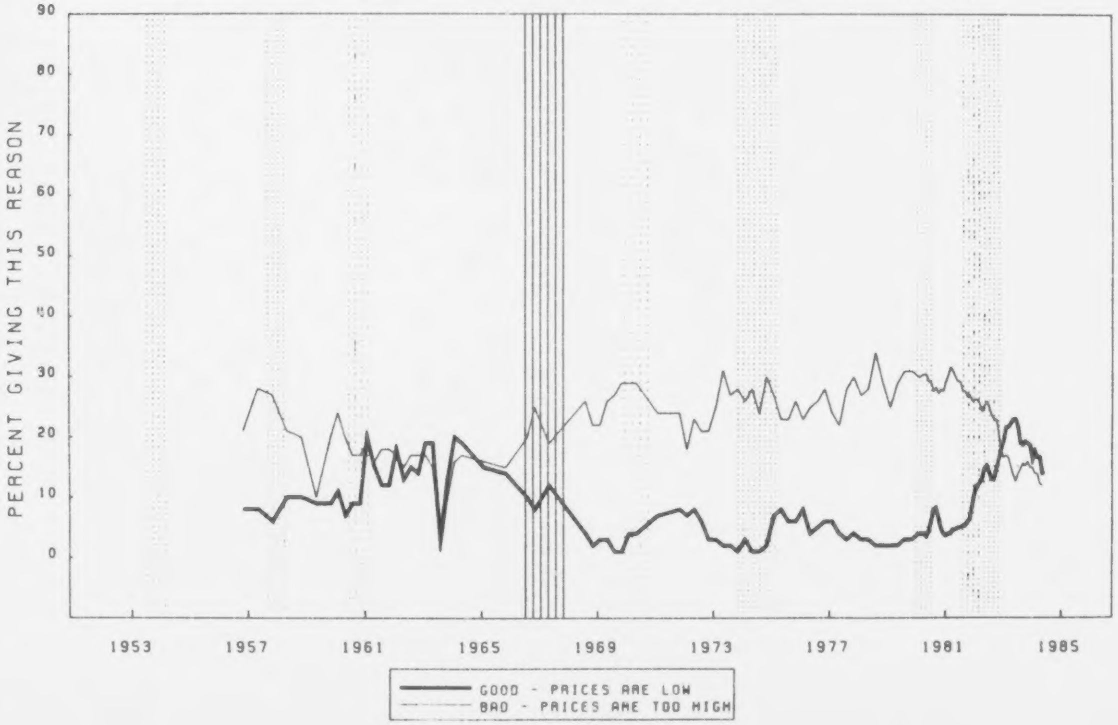


CHART 29B - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR HOUSES



## TABLE 29

### SELECTED REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR HOUSES +

| | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| GOOD TIME TO BUY: | | | | | | | | | | | | | |
| Prices are low; good buys available | 25% | 20% | 20% | 17% | 19% | 22% | 16% | 18% | 15% | 20% | 15% | 15% | 12% |
| Prices won't come down; are going higher | 7 | 8 | 7 | 10 | 8 | 9 | 9 | 9 | 12 | 8 | 10 | 10 | 9 |
| Interest rates low; credit is easy | 57 | 61 | 49 | 44 | 47 | 38 | 40 | 41 | 41 | 50 | 49 | 52 | 44 |
| Good investment | 4 | 7 | 5 | 8 | 6 | 8 | 5 | 6 | 8 | 6 | 8 | 6 | 5 |
| BAD TIME TO BUY: | | | | | | | | | | | | | |
| Prices are high | 12 | 13 | 17 | 14 | 16 | 16 | 16 | 13 | 16 | 13 | 13 | 11 | 12 |
| Interest rates are high; credit is tight | 23 | 23 | 26 | 31 | 28 | 29 | 30 | 25 | 26 | 20 | 22 | 20 | 29 |
| Lack of purchasing power | 16 | 11 | 12 | 14 | 14 | 15 | 16 | 13 | 12 | 10 | 11 | 10 | 12 |

Responses to the query: "Why do you say so?" following the question on Table 28.

+ : May add to more than 100% due to multiple mentions.

CHART 30 - RECENT CHANGES
BUYING CONDITIONS FOR CARS

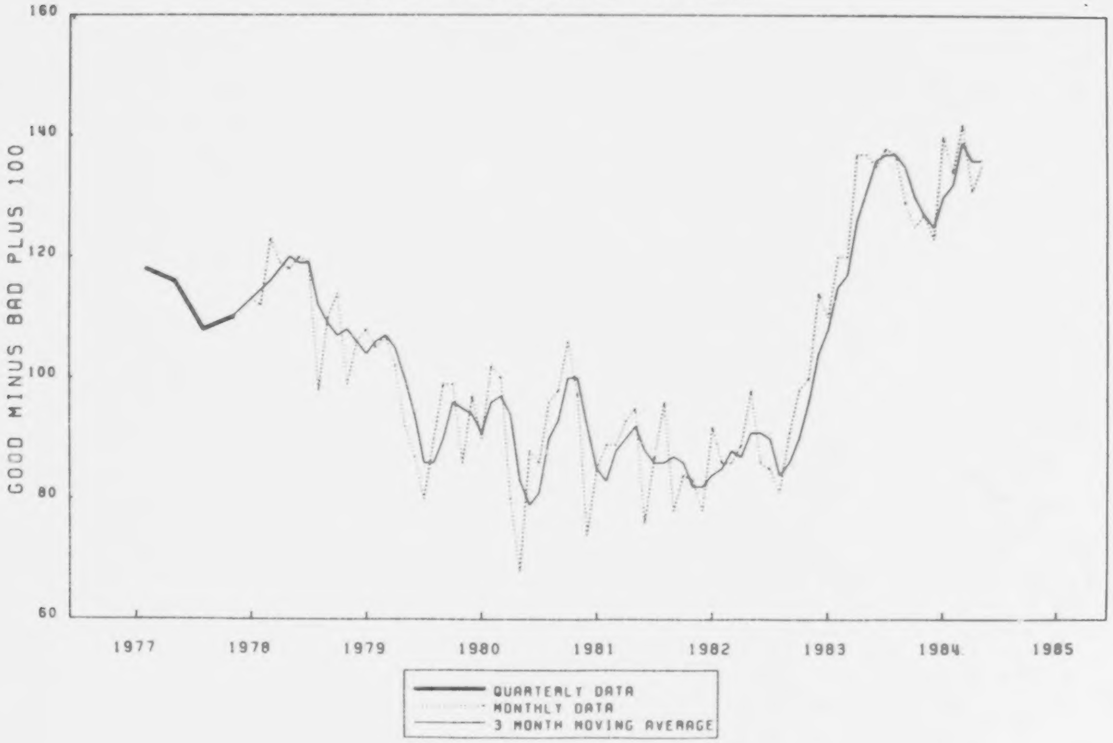
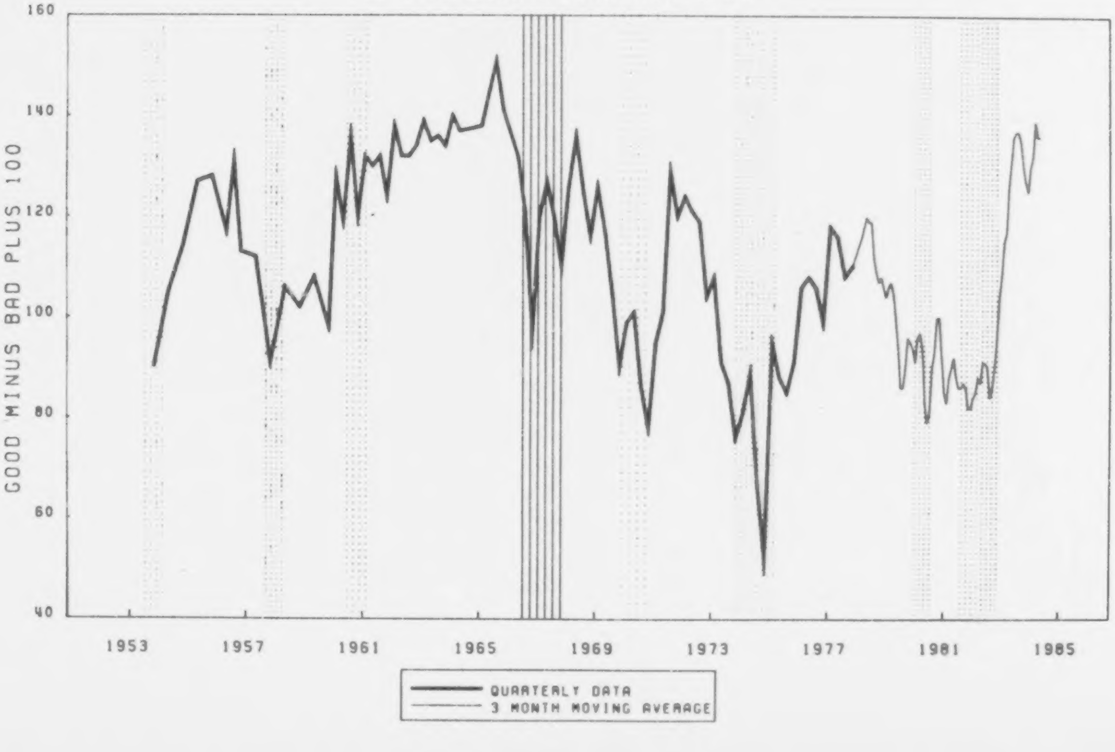


CHART 30 - HISTORICAL SERIES
BUYING CONDITIONS FOR CARS



## TABLE 30

## BUYING CONDITIONS FOR CARS

| | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| GOOD TIME TO BUY | 66% | 63% | 65% | 65% | 61% | 59% | 59% | 56% | 64% | 62% | 66% | 60% | 63% |
| UNCERTAIN; DEPENDS | 5 | 9 | 8 | 7 | 7 | 7 | 9 | 11 | 12 | 10 | 10 | 11 | 9 |
| BAD TIME TO BUY | 29 | 28 | 27 | 28 | 32 | 34 | 32 | 33 | 24 | 28 | 24 | 29 | 28 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 | 690 |

The question was: "Speaking now of the automobile market--do you think the next 12 months or so will be a good time or a bad time to buy a car?"

CHART 31A - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR CARS

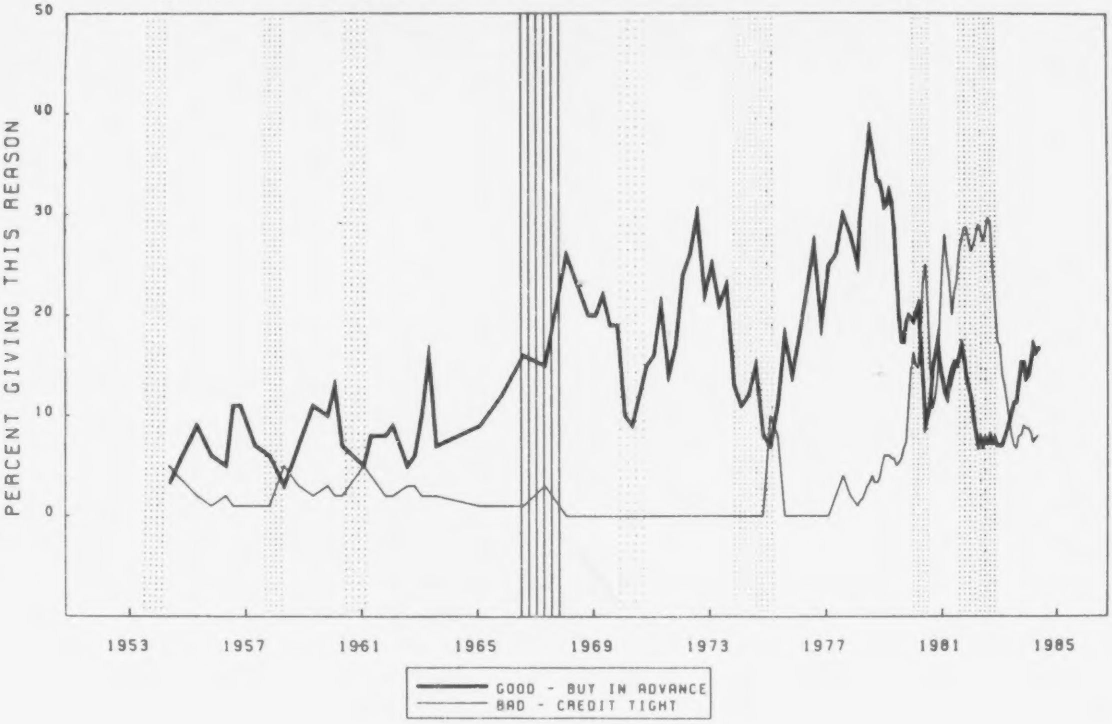
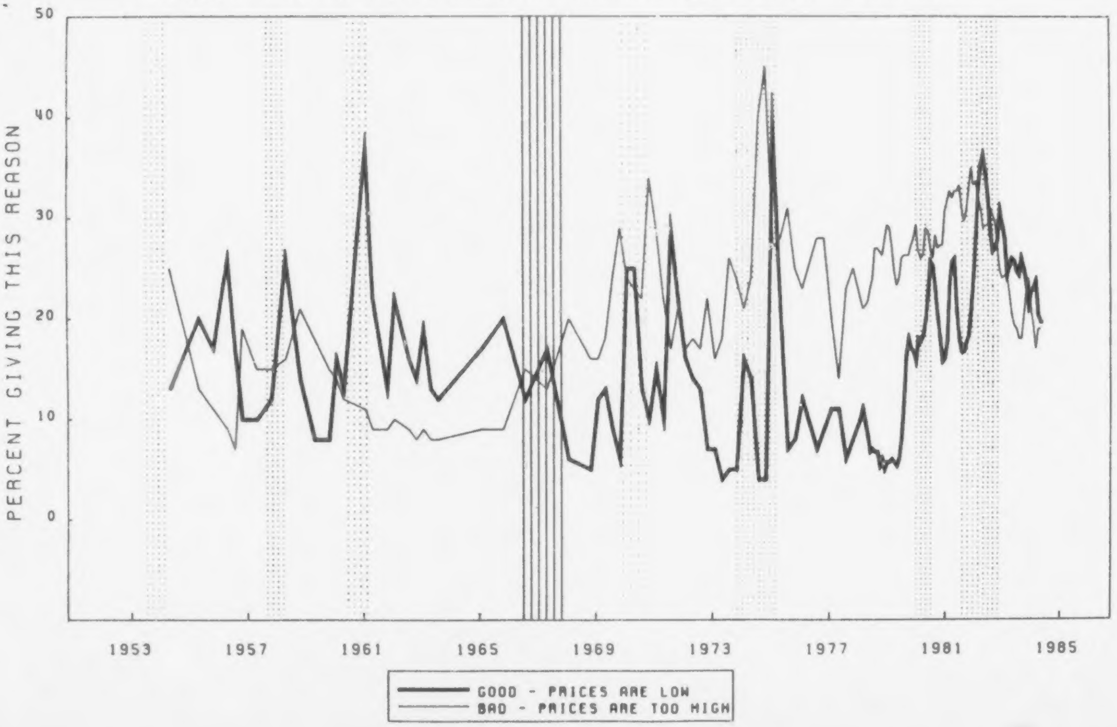


CHART 31B - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR CARS



## TABLE 31

## SELECTED REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR CARS +

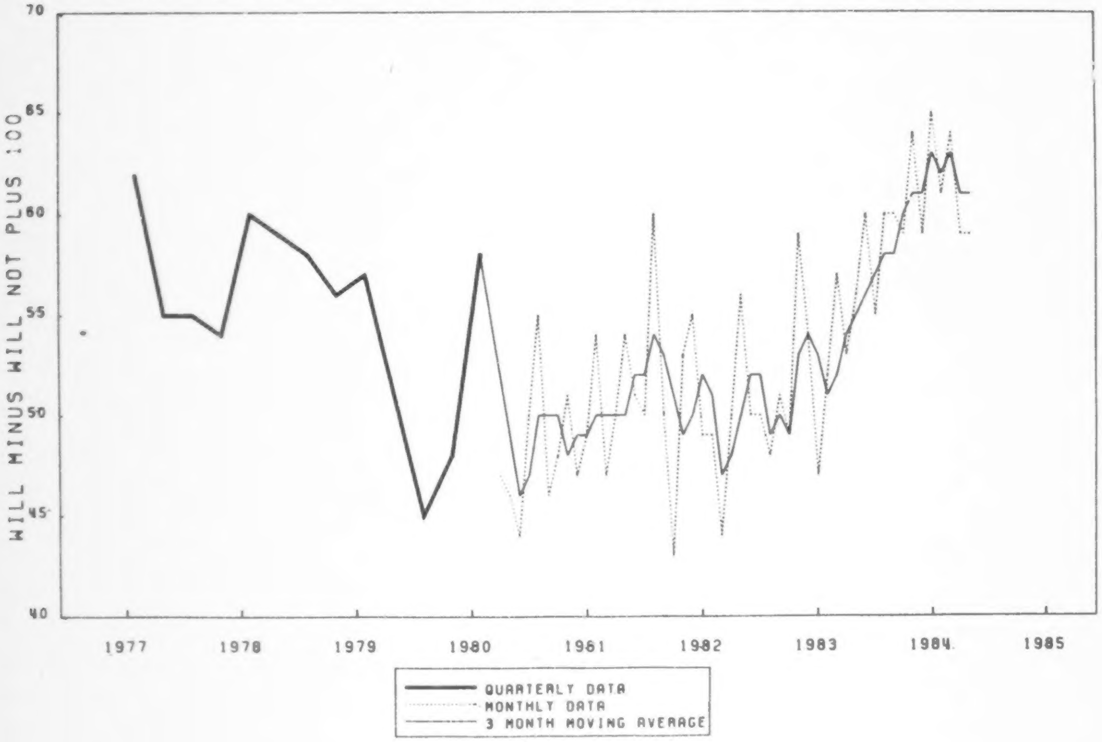
| | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| GOOD TIME TO BUY: | | | | | | | | | | | | | |
| Prices are low; good buys available | 26% | 23% | 25% | 25% | 28% | 22% | 21% | 21% | 26% | 22% | 23% | 16% | 20% |
| Prices won't come down; are going higher | 12 | 11 | 11 | 12 | 17 | 17 | 12 | 12 | 18 | 16 | 17 | 16 | 17 |
| Interest rates low; credit is easy | 40 | 40 | 37 | 33 | 28 | 19 | 22 | 19 | 23 | 22 | 22 | 22 | 18 |
| New fuel efficient models | * | 1 | 2 | 1 | 2 | 2 | 2 | 2 | 1 | 2 | 1 | 1 | 3 |
| BAD TIME TO BUY: | | | | | | | | | | | | | |
| Prices are high | 19 | 20 | 18 | 16 | 20 | 25 | 23 | 24 | 16 | 18 | 17 | 22 | 18 |
| Interest rates are high; credit is tight | 7 | 6 | 8 | 6 | 10 | 8 | 9 | 9 | 8 | 8 | 6 | 9 | 9 |
| Lack of purchasing power | 7 | 7 | 7 | 9 | 6 | 8 | 6 | 5 | 3 | 5 | 5 | 4 | 5 |
| Price of gas; shortages | 1 | 1 | * | 1 | * | * | * | * | * | * | 1 | * | * |
| Poor selection; quality | 5 | 6 | 5 | 4 | 4 | 6 | 6 | 5 | 5 | 4 | 4 | 6 | 2 |

Responses to the query: "Why do you say so?" following the question on Table 30.

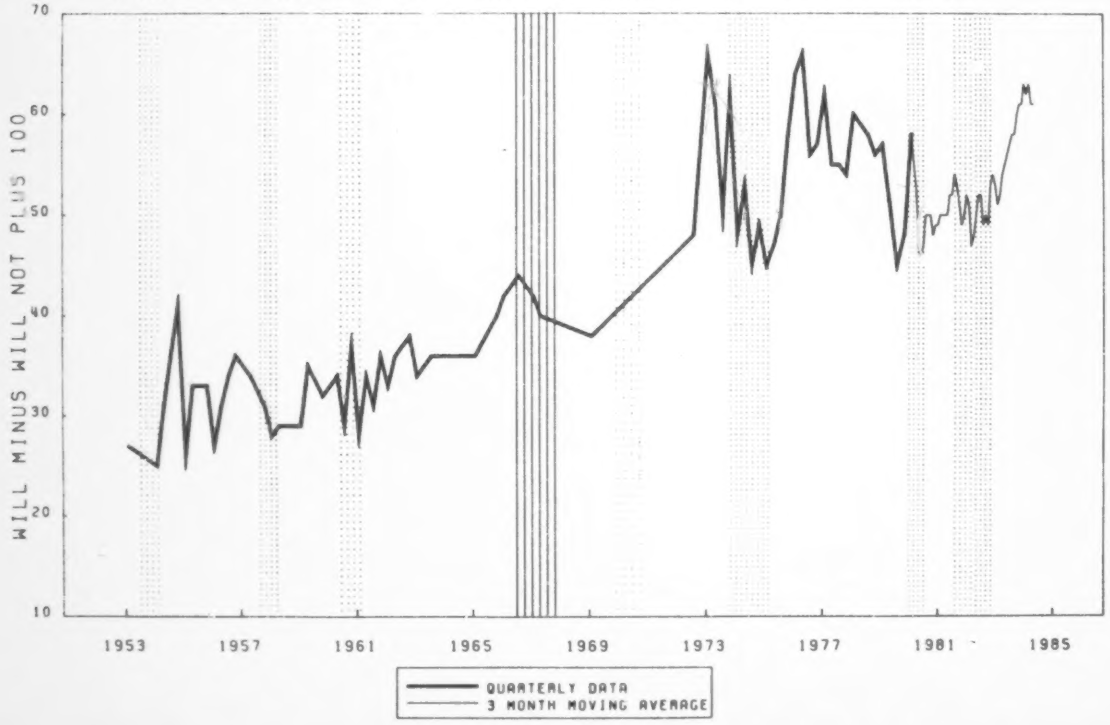
+ : May add to more than 100% due to multiple mentions.

* : Less than half of one percent.

## CHART 32 - RECENT CHANGES
## PLANS TO PURCHASE AN AUTOMOBILE DURING THE NEXT 12 MONTHS



## CHART 32 - HISTORICAL SERIES
## PLANS TO PURCHASE AN AUTOMOBILE DURING THE NEXT 12 MONTHS



## TABLE 32

## PLANS TO PURCHASE AN AUTOMOBILE DURING THE NEXT 12 MONTHS

| | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| PROBABLY WILL BUY | 17% | 22% | 18% | 21% | 21% | 21% | 22% | 20% | 23% | 21% | 22% | 21% | 19% |
| CHANCES ARE EVEN | 9 | 7 | 6 | 7 | 9 | 8 | 9 | 8 | 7 | 9 | 12 | 6 | 12 |
| PROBABLY WILL NOT BUY | 61 | 62 | 63 | 61 | 61 | 62 | 58 | 61 | 58 | 60 | 58 | 62 | 60 |
| DK,NA | 13 | 9 | 13 | 11 | 9 | 9 | 11 | 11 | 12 | 10 | 8 | 11 | 9 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 700 | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 | 690 |

The question was: "What do you think are the chances that you (or anyone else in your family living there) will buy or lease a car during the next 12 months--would you say you probably will, probably will not, or are the chances about even, or what?"

## TABLE 33

## CURRENT VEHICLE PURCHASE INTENTIONS

| | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| PROPORTION WITH CURRENT PURCHASE INTENTIONS: | 26% | 29% | 24% | 28% | 30% | 29% | 31% | 28% | 30% | 30% | 34% | 27% | 31% |
| PURCHASE TYPE: | | | | | | | | | | | | | |
| Buy new | 12 | 13 | 11 | 15 | 13 | 17 | 17 | 16 | 15 | 14 | 16 | 13 | 15 |
| Buy used | 11 | 13 | 11 | 11 | 14 | 9 | 12 | 9 | 13 | 13 | 17 | 12 | 14 |
| Lease | 2 | 2 | 1 | 1 | 1 | 2 | 1 | 2 | 1 | 2 | 1 | 1 | 2 |
| DK,NA | 1 | 1 | 1 | 1 | 2 | 1 | 1 | 1 | 1 | 1 | * | 1 | * |
| PURCHASE TIMING: | | | | | | | | | | | | | |
| Next 3 months | 2 | 1 | 4 | 5 | 2 | 6 | 4 | 2 | 5 | 3 | 2 | 7 | 3 |
| Next 4-6 months | 7 | 10 | 6 | 4 | 7 | 8 | 5 | 4 | 10 | 7 | 10 | 6 | 9 |
| Next 7-9 months | 8 | 8 | 3 | 5 | 5 | 8 | 9 | 10 | 7 | 8 | 8 | 6 | 7 |
| 10 months or more | 4 | 4 | 6 | 7 | 9 | 4 | 8 | 8 | 4 | 5 | 8 | 4 | 6 |
| DK,NA | 5 | 6 | 5 | 7 | 7 | 3 | 5 | 4 | 4 | 7 | 6 | 4 | 6 |

If response was "PROBABLY WILL BUY" or "CHANCES ARE EVEN" in Table 32, then the questions were: "If you do buy or lease a car, would it be a new car, or a used car?" , "Would you buy or lease?" and "When do you think you might buy or lease a car?"

* : Less than half of one percent.

## TABLE 34

## FUTURE VEHICLE PURCHASE INTENTIONS

| | May 1983 | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| PROPORTION WITH FUTURE PURCHASE INTENTIONS: | 61% | 62% | 63% | 61% | 61% | 62% | 58% | 61% | 58% | 60% | 58% | 62% | 60% |
| PURCHASE TYPE: | | | | | | | | | | | | | |
| Would buy new | 36 | 37 | 37 | 33 | 33 | 33 | 36 | 36 | 36 | 32 | 32 | 34 | 33 |
| Would buy used | 24 | 24 | 24 | 27 | 27 | 29 | 21 | 24 | 21 | 26 | 25 | 27 | 26 |
| DK,NA | 1 | 1 | 2 | 1 | 1 | * | 1 | 1 | 1 | 2 | 1 | 1 | 1 |
| PURCHASE TIMING: | | | | | | | | | | | | | |
| Less than 2 years | 7 | 6 | 8 | 6 | 8 | 6 | 5 | 7 | 5 | 8 | 7 | 10 | 5 |
| 2 years | 24 | 20 | 23 | 21 | 22 | 20 | 19 | 23 | 19 | 20 | 19 | 20 | 22 |
| 3 years | 10 | 10 | 9 | 9 | 10 | 11 | 10 | 9 | 10 | 9 | 9 | 9 | 9 |
| 4 years or more | 18 | 21 | 18 | 18 | 15 | 19 | 18 | 17 | 17 | 17 | 16 | 17 | 18 |
| Indefinite | 1 | 1 | 2 | 2 | 2 | * | 1 | 1 | 2 | 3 | 3 | 1 | 2 |
| DK,NA | 1 | 4 | 3 | 5 | 4 | 6 | 5 | 4 | 5 | 3 | 4 | 5 | 4 |

If response was "PROBABLY WILL NOT BUY" in Table 32, then the questions were: "If you were to buy a car, would it be a new car or a used car? and "How long do you think it may be before will buy or lease a car?"

* : Less than half of one percent.

# EXPLANATORY CHARTS

CHART 1 - RECENT CHANGES
THE INDEX OF CONSUMER SENTIMENT

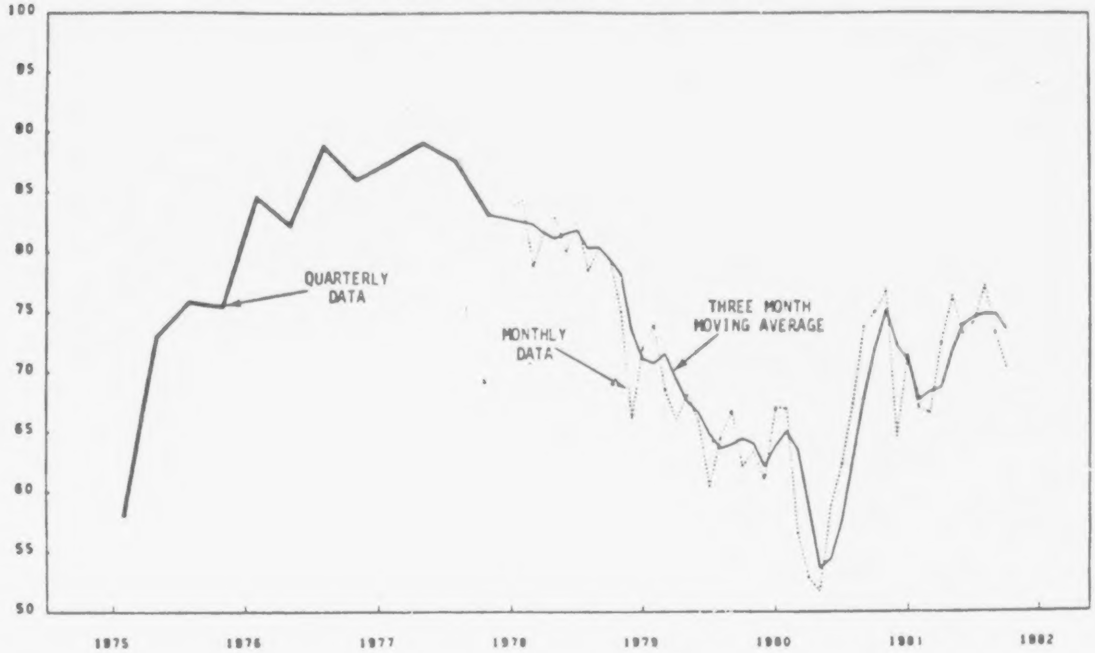
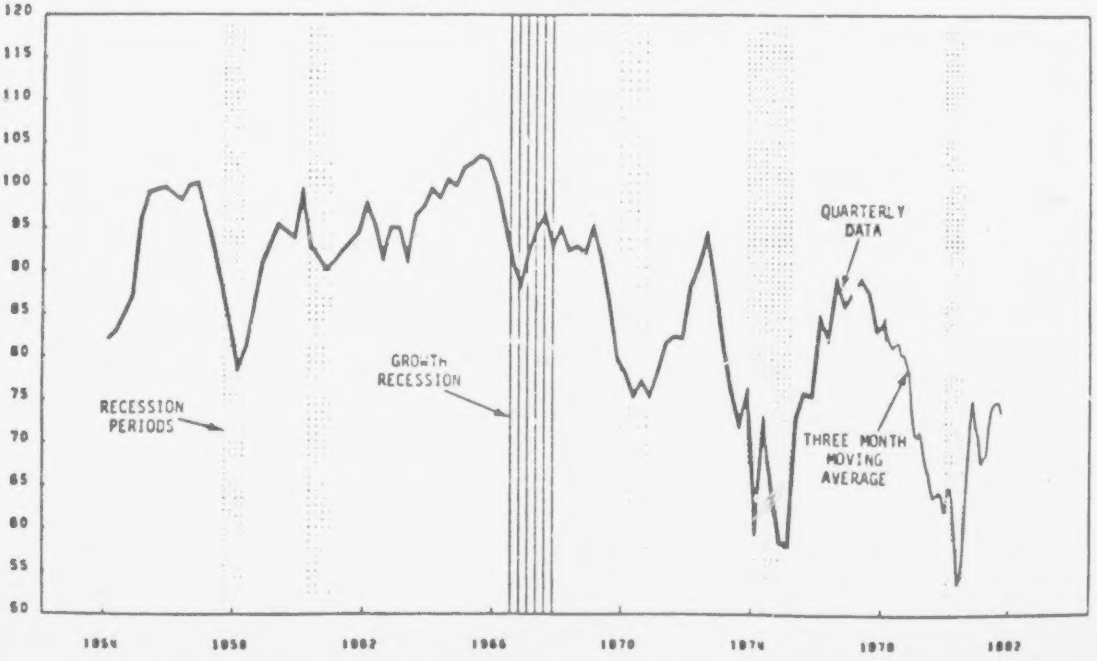


CHART 1 - HISTORICAL SERIES
THE INDEX OF CONSUMER SENTIMENT



## DESCRIPTION OF CHART LINES

QUARTERLY DATA: Data collected by surveys conducted at three-month intervals before 1978.

MONTHLY DATA: Data collected by surveys conducted each month since January of 1978.

THREE-MONTH MOVING AVERAGE: Each point plotted represents the average of the three monthly observations ending at the date plotted.

## TIME SCALE LABELS

Each tic mark on the time scale represents the month of January for the indicated year.

## NATIONAL BUREAU OF ECONOMIC RESEARCH, REFERENCE DATES FOR RECESSIONS

DATES:
November 1948 - October 1949
July 1953 - May 1954
August 1957 - April 1958
April 1960 - February 1961
June 1966 - November 1967*
December 1969 - November 1970
November 1973 - March 1975
January 1980 - July 1980
July 1981 - November 1982

Notes:

RECESSION PERIOD: Reduction in the national output of goods and services, generally lasting at least two quarters.

*GROWTH RECESSION: Retardation in the rate of growth of output and employment (usually followed by a recession and always the initial stage of a recession).

## APPROXIMATE SAMPLING ERRORS[a] OF SURVEY FINDINGS

(In percentages by size of sample or subgroup)

| Reported Percentages | Number of Interviews | | |
|---|---|---|---|
| | 700[b] | 1,400[c] | 2,100[d] |
| 50 | 4.2 | 3.2 | 2.8 |
| 30 or 70 | 3.8 | 2.9 | 2.5 |
| 20 or 80 | 3.4 | 2.6 | 2.2 |
| 10 or 90 | 2.5 | 1.9 | 1.6 |
| 5 or 95 | 1.8 | 1.4 | 1.2 |

---

[a] The figures in this table represent two standard errors. Hence, for most items the chances are 95 in 100 that the value being estimated lies within a range equal to the reported percentages, plus or minus the sampling error.

[b] Average size of monthly surveys.

[c] Average size of two monthly surveys.

[d] Average size of three monthly surveys (one quarter).

6/12/84 U7475-2 A

June 8, 1984

MAY 1984 MONTHLY REPORT

# Surveys of Consumer Attitudes

Richard T. Curtin, *Director*

## CONSUMER CONFIDENCE MAINTAINED

### ALL EYES ON INTEREST RATES

** In the May 1984 survey, the Index of Consumer Sentiment was 98.1, between the 96.1 recorded in April, and the cyclical peak of 101.0 recorded in March 1984. While the overall Index rose from 93.3 to 98.1 during the past year, the component that measures expected future improvement fell from 93.4 to 90.6, while evaluations of current economic conditions rose from 93.1 to 109.8. Declines in expectations for further improvement in the economy were mainly related to expected increases in interest rates.

** The May 1984 survey recorded the growing expectation that the pace of economic growth would slow during the year ahead. Among all families, 31 percent expected continued improvement in the economy as a whole, down from 55 percent one year earlier. The majority of consumers now expect the economy to be maintained at its current improved level during the year ahead.

** Higher interest rates are the major reason given by consumers for the expected slowing in the economy. Interest rates increases were expected by 66 percent of all consumers in May, unchanged from April, but twice the January 1984 level, and three times the year earlier reading.

** Attitudes toward buying conditions for large household durables were viewed more favorably in the May 1984 survey than at any prior time during the past 30 years. Among all families, 77 percent favorably rated current durable buying conditions, up from 67 percent one year earlier (which at that time tied the prior record peak). The major reason underlying these favorable views was the availability of lower prices and discounts.

** Attitudes toward buying conditions for houses remained at favorable levels in the May 1984 survey mainly due to the appeal of borrowing-in-advance of rising interest rates. Among all families, 58 percent held favorable views toward house buying conditions, down from 64 percent one year earlier. The proportion citing borrowing-in-advance of rising mortgage rates increased to 20 from 6 percent one year earlier.

** Over one-third of all families reported increases in their family income in the May 1984 survey. Consumers' evaluations of their current financial situation remained very favorable, with 44 percent reporting improvement, well above the year earlier reading of 34 percent.

* * *

Consumer sentiment remained near record levels in the May 1984 survey, and points toward continued high levels of consumer sales through early 1985. Anticipated interest rate increases have dimmed prospects for future growth in the economy, but at the same time have spurred more favorable attitudes toward current buying conditions through borrowing-in-advance rationales.

Monitoring Economic Change Program
Institute for Social Research • P.O. Box 1248 • Ann Arbor, Michigan 48106 • (313) 763-5224

# Interest Rates Dim Outlook for Economy

American families held very favorable perceptions of the current performance of the economy in the May 1984 survey. Among all families, 70 percent reported that current business conditions were improved over those of a year earlier, just below the all-time peak level of 75 percent recorded in January 1984, and above the year earlier reading of 62 percent.

Despite these very favorable evaluations of recent improvement in the economy, consumers do not expect that rapid pace to continue during the year ahead. News of further improvements in the economy were heard and recalled by consumers less frequently in the May 1984 survey than one year earlier (falling to 47 from 80 percent). Fewer families were aware of further declines in unemployment (falling from 28 to 18 percent), but reported instances of unemployment also fell (from 17 to 15 percent). More importantly, fewer families had heard of improving credit conditions (falling from 16 to 2 percent), while news heard of worsening credit conditions rose (from 1 to 10 percent).

One year ago, in May 1983, 55 percent of all families expected the economy to improve during the year ahead, the highest proportion ever recorded in these surveys. By May 1984 the proportion that expected further improvement in the economy declined significantly, to 31 percent. Nearly the entire shift in expectations during the past year was from the expectation of continued improvement to the expectation that the economy would be maintained at its improved levels. The proportion of families that expected economic conditions to remain largely unchanged rose to 53 percent in May 1984 from 38 percent one year earlier, while the proportion that expected worsening economic conditions only rose to 14 percent from 6 percent one year earlier.

The expected slowing in the growth of the economy is largely due to anticipated interest rate increases. Among all families in the May 1984 survey, 66 percent expected interest rates to increase, just below the 68 percent recorded one month earlier, but more than twice the level recorded at the start of 1984, and three times the level recorded one year earlier. The April and May 1984 surveys recorded the most unfavorable interest rate expectations since the March 1980 survey (when 71 percent expected increases), and the September and October 1979 surveys (when 70 percent expected increases). Interest rate declines were expected by just 8 percent of all families in May 1984, unchanged from the April reading, but substantially below the 31 percent recorded one year earlier.

Further declines in the unemployment rate were less frequently expected compared with one year earlier, although unemployment expectations still remain on balance at very favorable levels. The cyclical peak in favorable unemployment expectations was recorded one year earlier, in May 1983, when 42 percent expected the unemployment rate to decline. By May 1984, the proportion had fallen to 29 percent. At the same time, the expectation that unemployment rates would increase rose from 13 to 20 percent. The majority of consumers in the May 1984 survey expected unemployment to remain unchanged during the year ahead (51 percent, up from 44 percent one year earlier).

The annual rate of inflation was expected to average 5.3% in the May 1984 survey, up from 4.6% one year earlier. This small increase resulted from fewer families expecting prices to remain unchanged or decline in the May 1984 survey than one year earlier (19 percent, down from 32 percent), while significantly more consumers expected inflation rates of 1-5% (50 percent, up from 39 percent). In contrast, the proportion of families that expected inflation rates of 6% or more remained largely unchanged during the past year, rising from 25 to 27 percent.

## Buying Conditions Viewed Favorably

In the May 1984 survey, consumers' opinions about buying conditions for large household durables reached the most favorable level recorded during the past 30 years. Among all families, 77 percent favorably rated current buying conditions for durables, up from 73 percent in January 1984 (the prior record reading), and 67 percent in May 1983 (which tied the 1978 peak). The reasons given by consumers for these very favorable views in May 1984 differ markedly from the prior cyclical peaks. At the 1978 peak, perceptions of market prices were dominated by buy-in-advance rationales, while few consumers reported the availability of lower prices or discounts. At the current time, it is the appeal of lower prices and discounts, rather than fear of rising prices, that is responsible for these favorable evaluations. In the May 1984 survey, the availability of lower prices and discounts on household durables was mentioned by 31 percent of all families. Just 8 percent of all families in the May 1984 survey mentioned their aversion to high prices for household durables, the lowest level recorded since 1965.

Attitudes for buying conditions for vehicles remained near record favorable levels in the May 1984 survey. Among all families, 63 percent favorably rated buying conditions for vehicles, just below the all-time high of 66 percent recorded both two months earlier and one year earlier. This small and insignificant decline was in part due to less frequent mentions of price discounts (to 20 percent from 26 percent one year earlier), while mentions of high prices remained largely unchanged (to 18 from 19 percent). Interestingly, the proportion of families that cited poor quality or selection of the currently available models was the smallest since the late 1960s (2 percent).

Attitudes toward buying conditions for houses remained at favorable levels in the May 1984 survey. Among all families, 58 percent favorably rated house buying conditions, just below the all-time record level of 66 percent recorded one month earlier as well as in June 1983. In explaining their views on market conditions for houses, half as many families mentioned the availability of lower prices on housing in May 1984 as one year earlier (12 percent, down from 25 percent), while mentions of high prices remained unchanged during the past year (12 percent). Buy-in-advance price rationales have not significantly increased during the past year, rising to just 9 percent in May 1984 from 7 percent one year earlier. Buying-in-advance of rising interest rates, however, has substantially increased during the past year. Among all families in the May 1984 survey, 20 percent cited the advantage of buying-in-advance of rising mortgage rates, up from just 6 percent one year earlier. At the same time, references to the current availability of lower mortgage rates fell to 24 percent in May 1984, from 49 percent one year earlier (see Table A).

## Personal Finances Support Spending

American families continued to report very favorable evaluations of their current financial situation in the May 1984 survey. Among all families, 44 percent reported improvement in their personal financial situation, just below the cyclical peak of 48 percent recorded in March 1984, and above the year earlier reading of 34 percent. Much of the improvement recorded during the past year stemmed from more favorable income and employment trends, whereas declines in inflation were responsible for improvements recorded during the prior year. Among all families in the May 1984 survey, 35 percent reported increases in family incomes, up from from 29 percent one year earlier, while reports of declines in family incomes fell to 14 from 20 percent during the past year.

Consumers also remained very optimistic about future changes in their financial situation in the May 1984 survey. Among all families in the May 1984 survey, 40 percent expected their financial situation to improve during the year ahead, just below the cyclical peak reading of 43 percent recorded one year earlier. Just 11 percent of all families expected their financial situation to worsen during the year ahead in the May 1984 survey, up from 6 percent a year earlier. Increases in family incomes were expected by 62 percent of all families in the May 1984 survey, up from 59 percent one year earlier.

* * *

The May 1984 survey was conducted between May 1 and May 28, 1984 and included 690 interviews.

# TABLE A

## REFERENCES TO INTEREST RATES IN SUPPORT OF FAVORABLE BUYING CONDITIONS

| Survey Date | Durables |  | Houses |  | Vehicles |  |
|---|---|---|---|---|---|---|
|  | Low Rates | BiA Rates | Low Rates | BiA Rates | Low Rates | BiA Rates |
| 8001 | 1 | 2 | NA | NA | 1 | 1 |
| 8002 | 1 | 2 | 2 | 7 | 1 | 2 |
| 8003 | 1 | 4 | NA | NA | 1 | 2 |
| 8004 | * | 3 | * | 3 | 3 | 1 |
| 8005 | * | 2 | 3 | 3 | * | 1 |
| 8006 | 2 | 1 | 14 | 2 | 2 | 1 |
| 8007 | 4 | 1 | 17 | 6 | 2 | 1 |
| 8008 | 3 | 2 | 19 | 9 | 3 | 1 |
| 8009 | 1 | 2 | 11 | 11 | 2 | 2 |
| 8010 | 1 | 3 | 6 | 10 | 1 | 2 |
| 8011 | * | 2 | 2 | 8 | 1 | 2 |
| 8012 | 1 | 2 | 1 | 5 | 2 | 2 |
| 8101 | * | 2 | 1 | 3 | 4 | 1 |
| 8102 | 1 | 2 | 2 | 5 | 2 | 1 |
| 8103 | 1 | * | 1 | 4 | 1 | 1 |
| 8104 | * | 2 | 3 | 6 | 2 | 1 |
| 8105 | 1 | 2 | 4 | 3 | 3 | 1 |
| 8106 | * | 1 | 1 | 4 | 2 | 1 |
| 8107 | 1 | 1 | 2 | 4 | 2 | 1 |
| 8108 | 2 | 1 | 3 | 5 | 4 | 1 |
| 8109 | * | 1 | 3 | 3 | 4 | 2 |
| 8110 | * | 1 | 1 | 3 | 4 | * |
| 8111 | 1 | 1 | 2 | 2 | 5 | * |
| 8112 | 1 | 1 | 4 | 2 | 4 | 1 |
| 8201 | 2 | 1 | 5 | 3 | 4 | 2 |
| 8202 | 1 | 1 | 4 | 3 | 3 | * |
| 8203 | * | 1 | 3 | 2 | 3 | * |
| 8204 | 1 | * | 4 | 2 | 7 | * |
| 8205 | 2 | 1 | 3 | 3 | 10 | 1 |
| 8206 | 1 | 1 | 5 | 2 | 6 | 1 |
| 8207 | 1 | 1 | 2 | 2 | 4 | 1 |
| 8208 | 1 | 1 | 3 | 4 | 5 | 1 |
| 8209 | 3 | 1 | 16 | 4 | 9 | 1 |
| 8210 | 4 | 1 | 19 | 4 | 10 | 1 |
| 8211 | 5 | * | 25 | 5 | 19 | 1 |
| 8212 | 6 | 2 | 30 | 5 | 26 | 1 |
| 8301 | 7 | * | 33 | 4 | 27 | 2 |
| 8302 | 7 | 1 | 35 | 5 | 34 | 1 |
| 8303 | 7 | 1 | 38 | 6 | 33 | 1 |
| 8304 | 12 | 2 | 46 | 8 | 38 | 2 |
| 8305 | 12 | 1 | 49 | 6 | 38 | 2 |
| 8306 | 13 | 3 | 49 | 12 | 30 | 2 |
| 8307 | 14 | 2 | 40 | 9 | 34 | 3 |
| 8308 | 11 | 1 | 33 | 11 | 30 | 3 |
| 8309 | 9 | 3 | 35 | 12 | 25 | 3 |
| 8310 | 6 | 1 | 29 | 9 | 17 | 2 |
| 8311 | 6 | 2 | 29 | 11 | 20 | 2 |
| 8312 | 6 | 1 | 30 | 11 | 16 | 3 |
| 8401 | 8 | 1 | 33 | 8 | 20 | 3 |
| 8402 | 9 | 2 | 38 | 12 | 19 | 3 |
| 8403 | 8 | 2 | 36 | 13 | 19 | 3 |
| 8404 | 8 | 6 | 29 | 23 | 15 | 7 |
| 8405 | 7 | 4 | 24 | 20 | 14 | 4 |

NOTE: The proportions given above provide greater detail than is reported in the monthly tables (see Tables 27, 29, and 31). The monthly tables report the total proportion of respondents that made favorable references to credit conditions. The figures above divide this total into those respondents that referred to the current availability of low interest rates, and those that referred to buying-in-advance of rising interest rates.

7/13/74 974 5 A A

# SURVEYS OF CONSUMER ATTITUDES

SURVEY RESEARCH CENTER
UNIVERSITY OF MICHIGAN

Institute for Social Research

# TABLES AND CHARTS

JUNE 1984

The June 1984 survey is the 189th in a series of surveys of consumer attitudes conducted by the Survey Research Center at The University of Michigan. Initiated in 1946, these periodic surveys provide regular assessments of consumer attitudes and expectations, and are used to evaluate economic trends and prospects. The surveys are designed to explore why changes in consumer attitudes and expectations occur, and how these changes influence consumer spending and saving decisions.

Two charts highlight recent changes and historical patterns for most questions. Recent change charts include quarterly data before 1978 and monthly data starting in January of 1978. Historical series charts show quarterly data before 1978 and 3 month moving averages since then. See the explanatory charts at the end of this book for a detailed description.

All surveys are subject to sampling error because not all members of the population are interviewed. Most results on the total sample for this monthly survey will differ by no more than 4 percentage points in either direction from what would have been obtained by using the same methods on the entire population. See the back of this book for sampling error information.

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CHART 1 - RECENT CHANGES
THE INDEX OF CONSUMER SENTIMENT

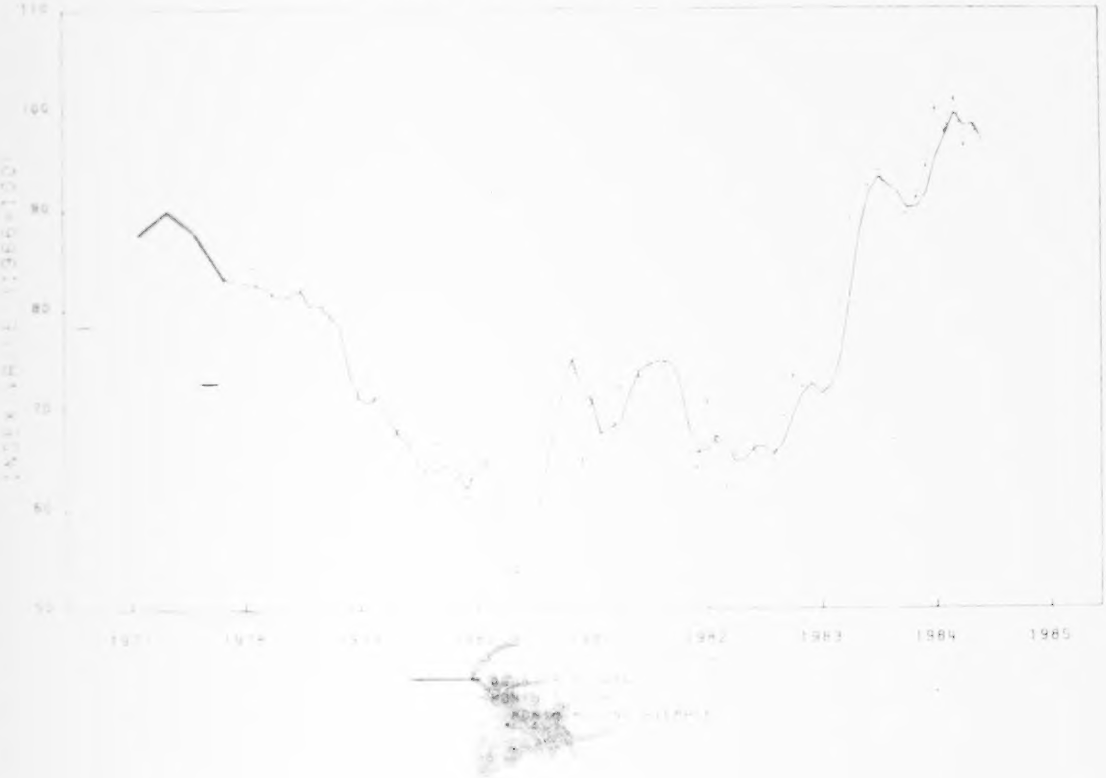
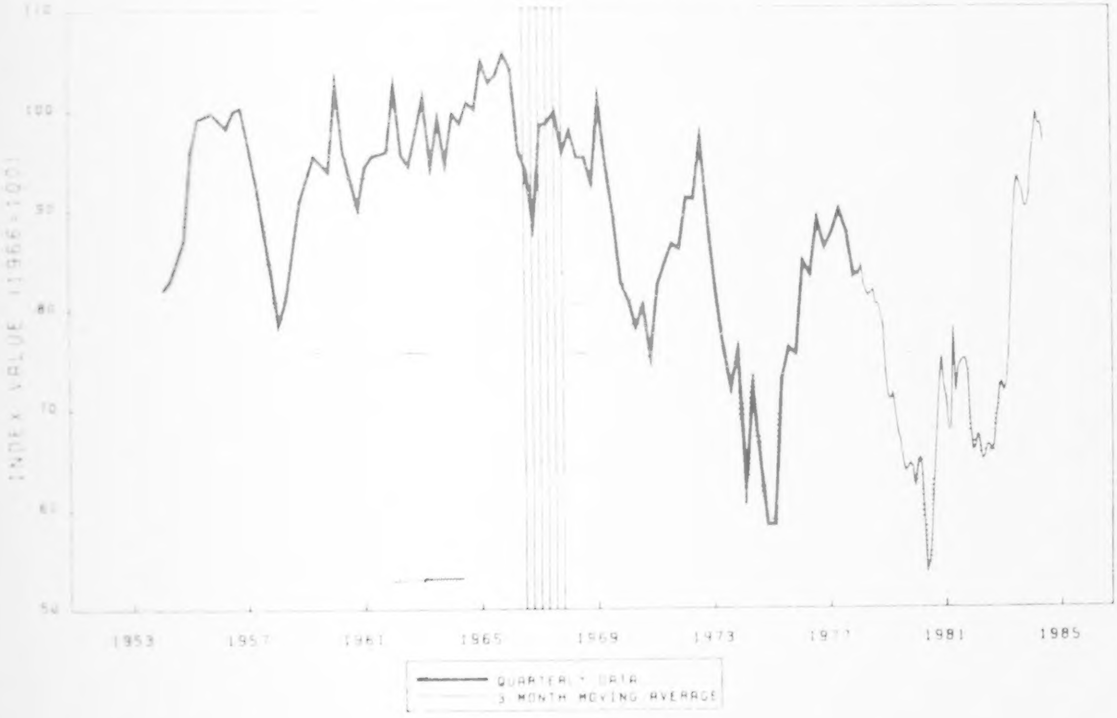


CHART 2 - HISTORICAL SERIES
THE INDEX OF CONSUMER SENTIMENT



## TABLE 1

## THE INDEX OF CONSUMER SENTIMENT

| DATE OF SURVEY | All families | Families with incomes over $20,000 | Families with incomes over $25,000 |
|---|---|---|---|
| June 1981 | 73.1 | 81.2 | 82.9 |
| July 1981 | 74.1 | 80.8 | 82.1 |
| August 1981 | 77.2 | 82.7 | 85.0 |
| September 1981 | 73.1 | 75.2 | 73.3 |
| October 1981 | 70.3 | 74.5 | 77.9 |
| November 1981 | 62.5 | 67.2 | 66.3 |
| December 1981 | 64.3 | 71.0 | 71.1 |
| January 1982 | 71.0 | 77.9 | 77.8 |
| February 1982 | 66.5 | 71.5 | 72.8 |
| March 1982 | 62.0 | 67.0 | 67.9 |
| April 1982 | 65.5 | 71.5 | 73.2 |
| May 1982 | 67.5 | 72.7 | 74.8 |
| June 1982 | 65.7 | 71.4 | 72.9 |
| July 1982 | 65.4 | 68.9 | 69.2 |
| August 1982 | 65.4 | 71.0 | 73.6 |
| September 1982 | 69.3 | 78.4 | 81.1 |
| October 1982 | 73.4 | 77.5 | 80.9 |
| November 1982 | 72.1 | 79.3 | 81.1 |
| December 1982 | 71.9 | 78.0 | 80.5 |
| January 1983 | 70.4 | 78.2 | 78.8 |
| February 1983 | 74.6 | 79.9 | 81.3 |
| March 1983 | 80.8 | 88.4 | 88.9 |
| April 1983 | 89.1 | 97.1 | 99.0 |
| May 1983 | 93.3 | 99.6 | 101.0 |
| June 1983 | 92.2 | 101.2 | 102.5 |
| July 1983 | 93.9 | 104.4 | 106.5 |
| August 1983 | 90.9 | 101.2 | 103.5 |
| September 1983 | 89.9 | 99.0 | 102.3 |
| October 1983 | 89.3 | 99.5 | 101.9 |
| November 1983 | 91.1 | 97.2 | 98.8 |
| December 1983 | 94.2 | 101.7 | 104.5 |
| January 1984 | 100.1 | 112.0 | 114.2 |
| February 1984 | 97.4 | 109.6 | 111.2 |
| March 1984 | 101.0 | 110.9 | 114.2 |
| April 1984 | 96.1 | 103.9 | 105.5 |
| May 1984 | 98.1 | 105.6 | 107.1 |
| June 1984 | 95.5 | 104.4 | 104.5 |

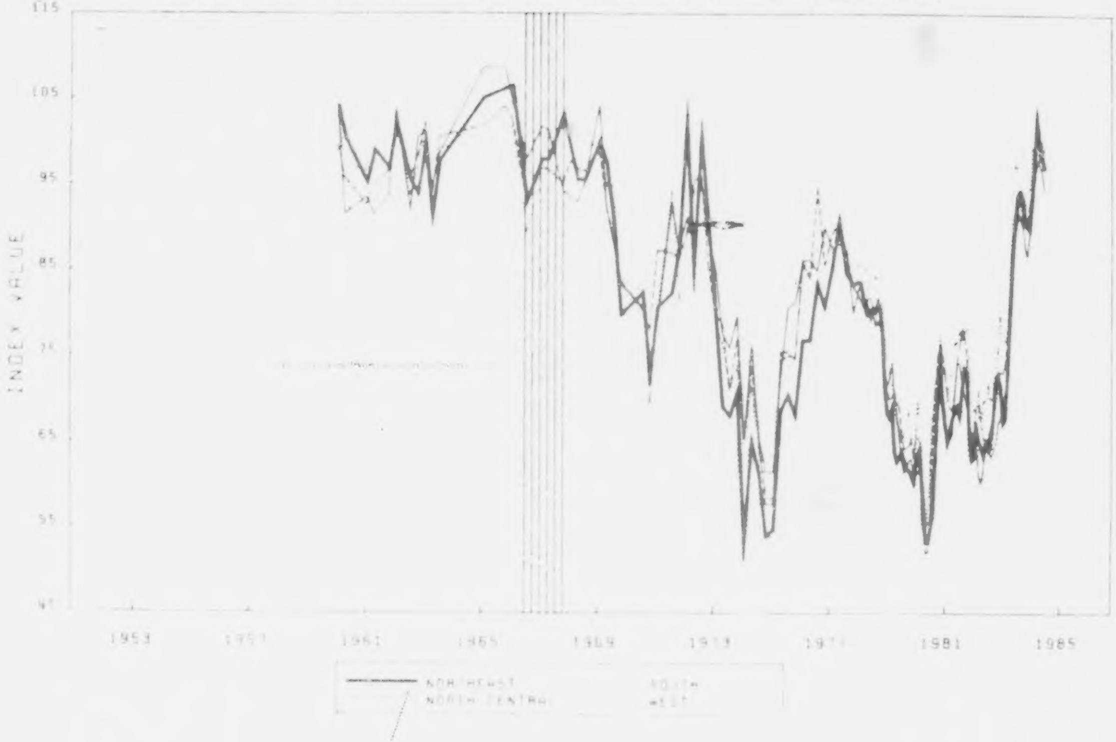


CHART 2A - HISTORICAL SERIES
INDEX OF CONSUMER SENTIMENT WITHIN REGION SUBGROUPS

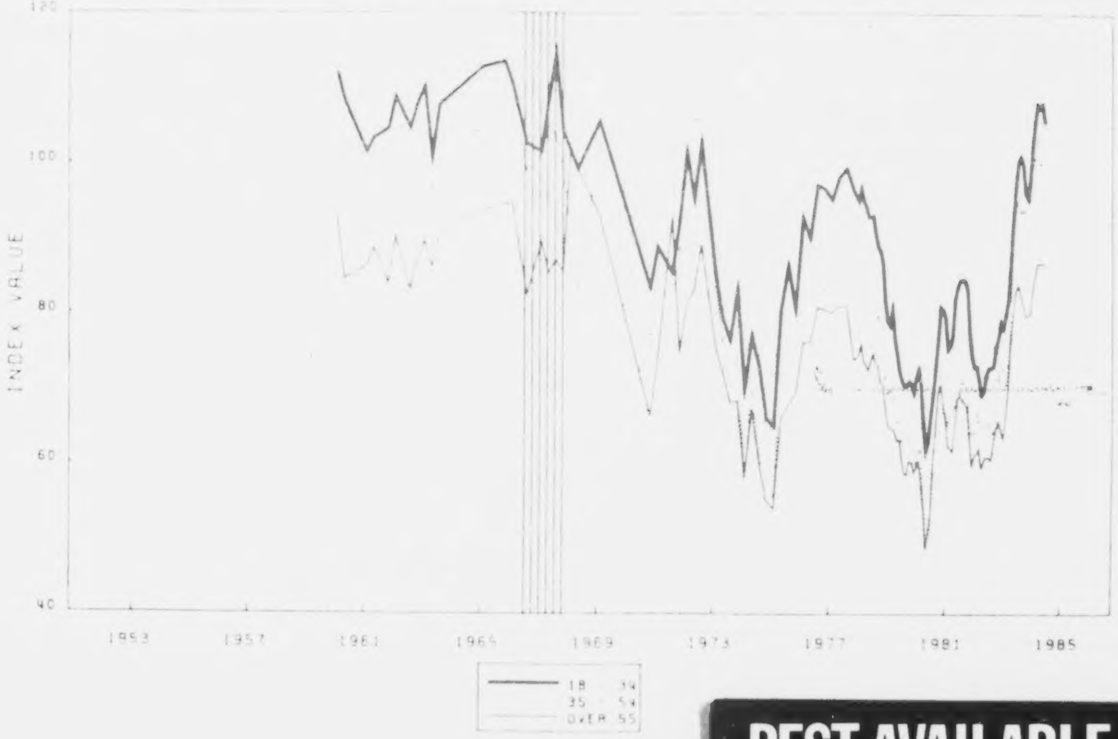


CHART 2B - HISTORICAL SERIES
INDEX OF CONSUMER SENTIMENT WITHIN AGE SUBGROUPS

BEST AVAILABLE COPY

## TABLE 2

## INDEX OF CONSUMER SENTIMENT WITHIN REGION AND AGE SUBGROUPS

| | | CENSUS REGION | | | | AGE OF RESPONDENT | | |
|---|---|---|---|---|---|---|---|---|
| DATE OF SURVEY | | North East | North Central | South | West | 18-34 | 35-54 | 55+ |
| June | 1981 | 68.5 | 74.0 | 75.2 | 73.8 | 81.7 | 67.0 | 69.6 |
| July | 1981 | 68.9 | 72.2 | 76.5 | 78.1 | 84.2 | 70.6 | 67.6 |
| August | 1981 | 77.0 | 70.1 | 83.2 | 79.2 | 87.8 | 75.0 | 67.9 |
| September | 1981 | 75.1 | 69.9 | 72.4 | 76.6 | 81.4 | 68.8 | 69.2 |
| October | 1981 | 67.9 | 68.2 | 68.9 | 79.0 | 80.7 | 65.9 | 64.8 |
| November | 1981 | 55.8 | 64.7 | 61.1 | 68.8 | 71.3 | 59.6 | 57.7 |
| December | 1981 | 65.0 | 65.3 | 64.4 | 61.6 | 70.9 | 65.3 | 56.7 |
| January | 1982 | 68.8 | 67.3 | 72.0 | 76.2 | 76.6 | 67.4 | 68.5 |
| February | 1982 | 65.9 | 60.6 | 71.8 | 68.8 | 71.5 | 68.3 | 59.0 |
| March | 1982 | 60.5 | 55.8 | 64.7 | 68.2 | 65.5 | 61.4 | 58.8 |
| April | 1982 | 67.2 | 64.6 | 65.0 | 65.8 | 70.6 | 65.5 | 60.4 |
| May | 1982 | 62.4 | 66.5 | 66.6 | 75.7 | 72.7 | 67.6 | 62.0 |
| June | 1982 | 65.4 | 65.0 | 64.9 | 68.6 | 72.4 | 64.4 | 60.3 |
| July | 1982 | 65.1 | 64.0 | 63.5 | 71.1 | 73.4 | 63.3 | 60.6 |
| August | 1982 | 68.1 | 60.6 | 64.0 | 70.6 | 72.6 | 62.9 | 60.2 |
| September | 1982 | 70.3 | 67.2 | 71.1 | 68.8 | 73.0 | 66.7 | 68.0 |
| October | 1982 | 77.8 | 66.2 | 74.1 | 79.3 | 81.2 | 72.1 | 65.5 |
| November | 1982 | 70.6 | 67.9 | 73.2 | 79.3 | 76.6 | 75.7 | 63.8 |
| December | 1982 | 66.1 | 70.0 | 72.5 | 80.4 | 78.9 | 71.7 | 64.2 |
| January | 1983 | 64.9 | 70.5 | 73.6 | 72.8 | 78.8 | 70.0 | 62.0 |
| February | 1983 | 72.1 | 72.3 | 75.8 | 77.2 | 82.1 | 68.3 | 72.4 |
| March | 1983 | 82.9 | 73.7 | 82.7 | 84.4 | 84.9 | 81.5 | 75.5 |
| April | 1983 | 89.1 | 88.0 | 87.2 | 95.6 | 95.8 | 90.5 | 80.5 |
| May | 1983 | 88.3 | 90.7 | 93.3 | 102.7 | 97.2 | 97.1 | 84.9 |
| June | 1983 | 95.1 | 88.7 | 92.5 | 94.1 | 97.8 | 94.4 | 83.9 |
| July | 1983 | 98.3 | 93.8 | 89.9 | 94.3 | 106.0 | 93.6 | 83.0 |
| August | 1983 | 89.6 | 92.0 | 91.3 | 89.6 | 99.2 | 92.9 | 80.0 |
| September | 1983 | 92.6 | 87.8 | 89.3 | 90.8 | 94.8 | 94.5 | 80.9 |
| October | 1983 | 89.9 | 83.7 | 91.5 | 93.5 | 94.2 | 93.8 | 77.8 |
| November | 1983 | 87.7 | 88.3 | 91.5 | 98.5 | 97.2 | 94.6 | 80.7 |
| December | 1983 | 91.4 | 96.2 | 95.2 | 92.2 | 102.3 | 97.5 | 81.8 |
| January | 1984 | 100.7 | 96.8 | 97.5 | 107.5 | 107.9 | 106.0 | 87.4 |
| February | 1984 | 102.3 | 98.4 | 93.5 | 97.1 | 106.2 | 98.9 | 86.5 |
| March | 1984 | 104.8 | 98.5 | 102.1 | 97.5 | 109.9 | 105.2 | 86.6 |
| April | 1984 | 92.5 | 95.3 | 98.2 | 99.3 | 106.5 | 95.9 | 87.0 |
| May | 1984 | 98.8 | 96.3 | 96.5 | 103.9 | 107.5 | 98.8 | 86.6 |
| June | 1984 | 100.1 | 92.1 | 95.0 | 93.7 | 103.0 | 97.1 | 85.9 |

CHART 3 - RECENT CHANGES
CURRENT AND EXPECTED COMPONENTS

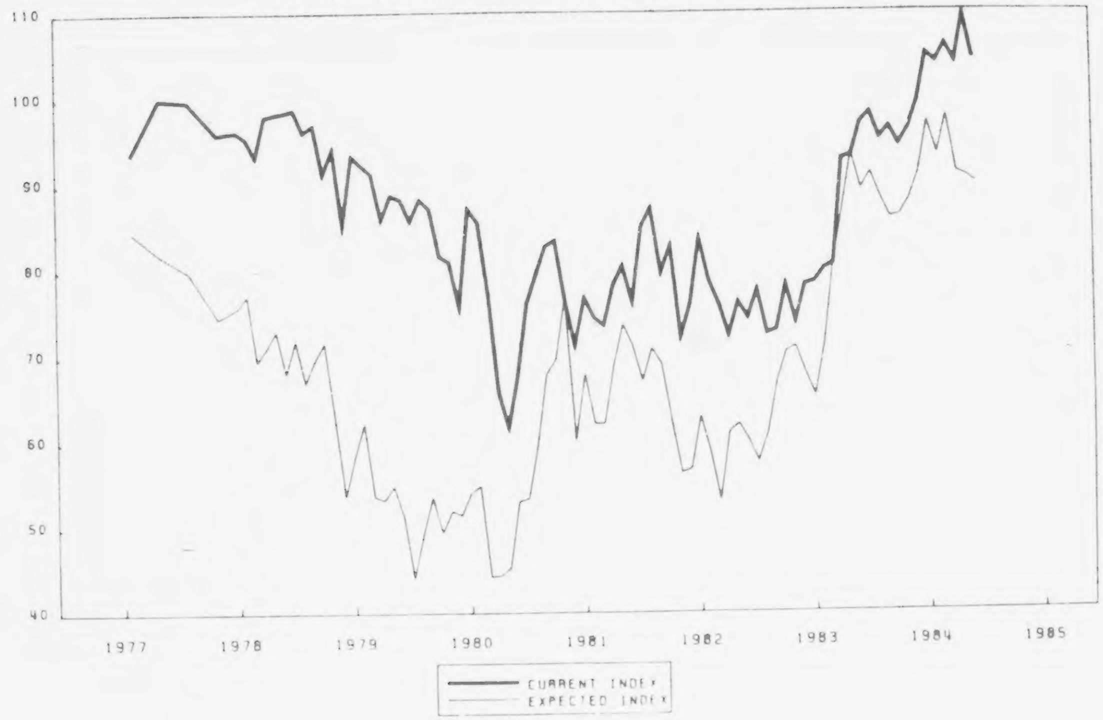
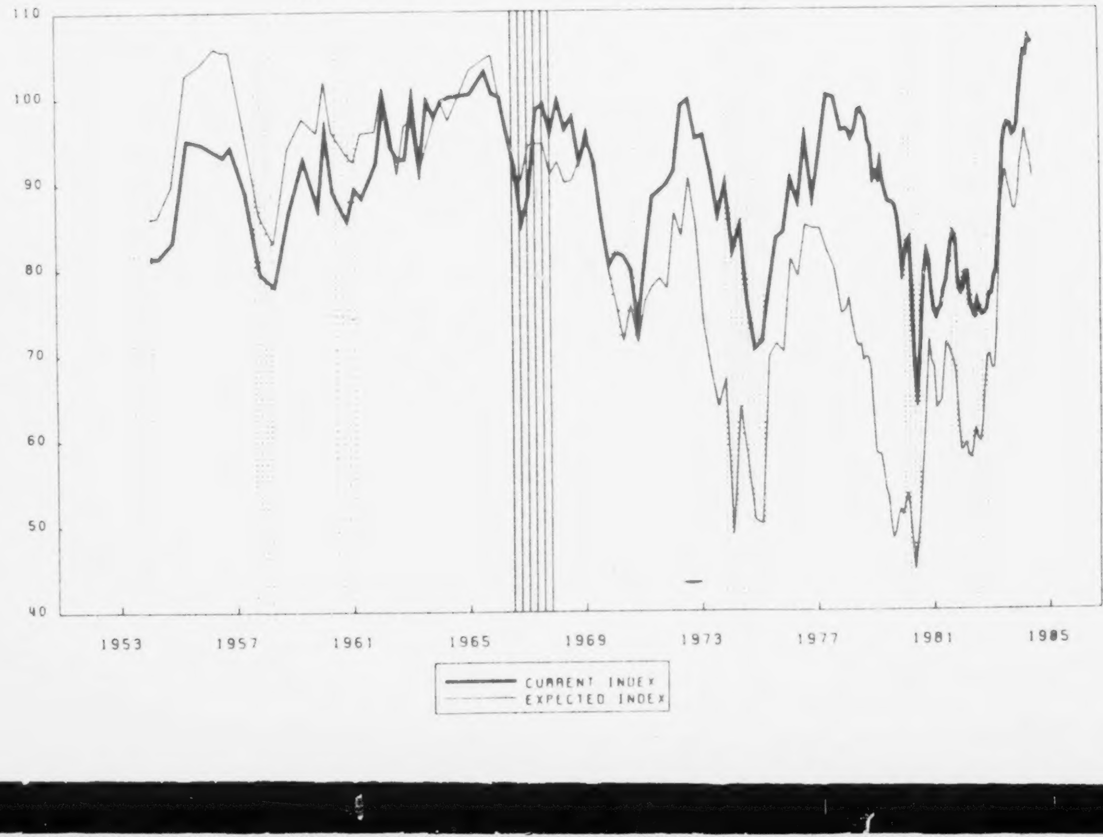


CHART 3 - HISTORICAL SERIES
CURRENT AND EXPECTED COMPONENTS



## TABLE 3

## COMPONENTS OF THE INDEX OF CONSUMER SENTIMENT

| | INDEX COMPONENTS + | | | | | | |
|---|---|---|---|---|---|---|---|
| | Personal finances | | Business conditions | | | | |
| | Current | Expected | 12 months | 5 years | Buying conds. | Current Index | Expected Index |
| DATE OF SURVEY | (1) | (2) | (3) | (4) | (5) | (1,5) | (2,3,4) |
| June 1981 | 89 | 113 | 91 | 78 | 104 | 76.1 | 71.2 |
| July 1981 | 99 | 114 | 81 | 70 | 118 | 84.9 | 67.1 |
| August 1981 | 100 | 117 | 92 | 72 | 123 | 87.1 | 70.8 |
| September 1981 | 94 | 113 | 80 | 80 | 109 | 79.5 | 69.0 |
| October 1981 | 95 | 110 | 68 | 67 | 117 | 82.7 | 62.3 |
| November 1981 | 85 | 110 | 54 | 56 | 99 | 72.1 | 56.3 |
| December 1981 | 94 | 110 | 54 | 61 | 101 | 75.9 | 56.8 |
| January 1982 | 92 | 115 | 66 | 70 | 124 | 83.5 | 62.9 |
| February 1982 | 91 | 112 | 56 | 65 | 111 | 78.6 | 58.7 |
| March 1982 | 89 | 106 | 44 | 60 | 106 | 75.9 | 53.1 |
| April 1982 | 87 | 111 | 62 | 70 | 99 | 72.3 | 61.1 |
| May 1982 | 94 | 113 | 62 | 72 | 102 | 76.1 | 62.0 |
| June 1982 | 92 | 116 | 58 | 65 | 99 | 74.3 | 60.1 |
| July 1982 | 90 | 113 | 53 | 63 | 110 | 77.5 | 57.6 |
| August 1982 | 89 | 110 | 64 | 69 | 97 | 72.5 | 60.9 |
| September 1982 | 89 | 116 | 76 | 74 | 98 | 72.9 | 66.9 |
| October 1982 | 95 | 119 | 79 | 83 | 106 | 78.1 | 70.4 |
| November 1982 | 85 | 121 | 77 | 86 | 105 | 73.8 | 71.0 |
| December 1982 | 90 | 117 | 74 | 80 | 111 | 78.1 | 67.9 |
| January 1983 | 91 | 115 | 76 | 69 | 111 | 78.4 | 65.2 |
| February 1983 | 89 | 117 | 87 | 81 | 117 | 79.9 | 71.2 |
| March 1983 | 92 | 126 | 113 | 85 | 115 | 80.5 | 80.9 |
| April 1983 | 108 | 131 | 120 | 99 | 131 | 92.7 | 86.9 |
| May 1983 | 101 | 137 | 139 | 100 | 139 | 93.1 | 93.4 |
| June 1983 | 110 | 128 | 134 | 97 | 141 | 96.9 | 89.2 |
| July 1983 | 111 | 126 | 136 | 104 | 143 | 98.1 | 91.1 |
| August 1983 | 106 | 124 | 130 | 100 | 140 | 95.1 | 88.2 |
| September 1983 | 109 | 125 | 125 | 95 | 140 | 96.4 | 85.8 |
| October 1983 | 104 | 124 | 124 | 98 | 140 | 94.3 | 86.1 |
| November 1983 | 111 | 127 | 129 | 98 | 138 | 96.1 | 87.9 |
| December 1983 | 123 | 125 | 140 | 102 | 134 | 99.3 | 91.0 |
| January 1984 | 117 | 129 | 154 | 108 | 155 | 104.9 | 97.0 |
| February 1984 | 119 | 130 | 139 | 106 | 151 | 103.9 | 93.2 |
| March 1984 | 122 | 135 | 146 | 113 | 153 | 106.0 | 97.7 |
| April 1984 | 117 | 124 | 136 | 106 | 153 | 103.9 | 91.1 |
| May 1984 | 121 | 129 | 131 | 105 | 164 | 109.8 | 90.6 |
| June 1984 | 126 | 124 | 131 | 106 | 145 | 104.4 | 89.8 |

(1) See Table 4.
(2) See Table 6.
(3) See Table 18.
(4) See Table 19.
(5) See Table 26.

+ : Percent saying "GOOD TIMES" (or "BETTER"), minus percent saying "BAD TIMES" (or "WORSE"), plus 100.

CHART 4 - RECENT CHANGES
CURRENT FINANCIAL SITUATION COMPARED WITH A YEAR AGO

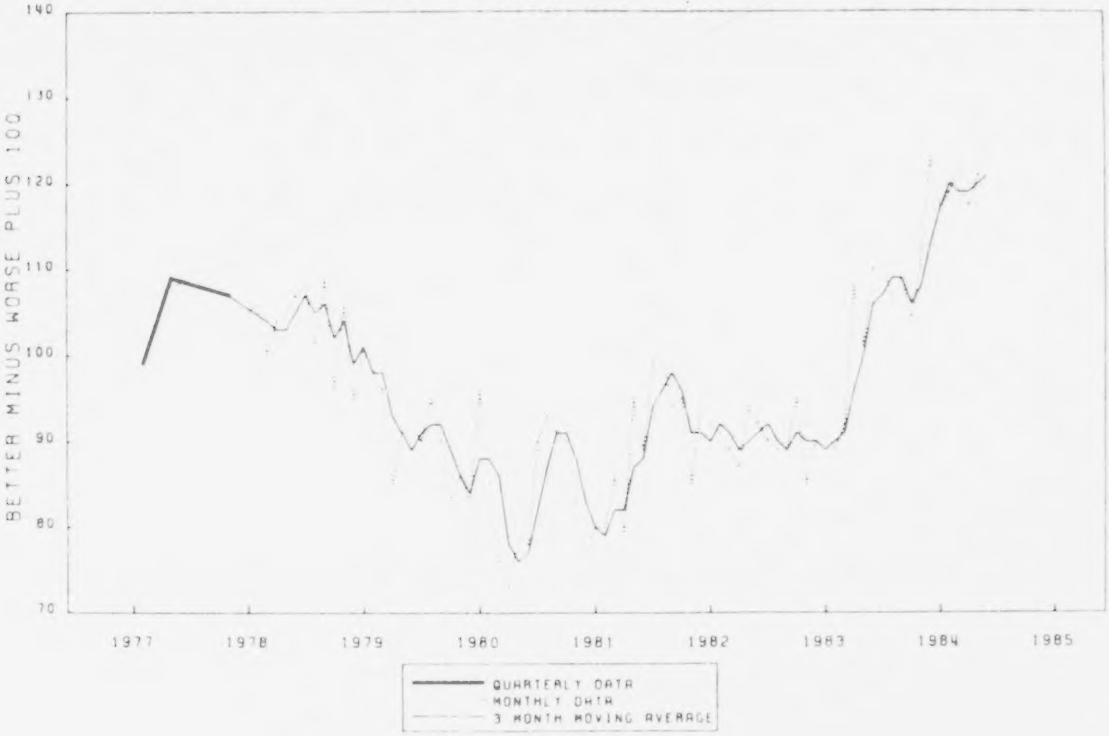
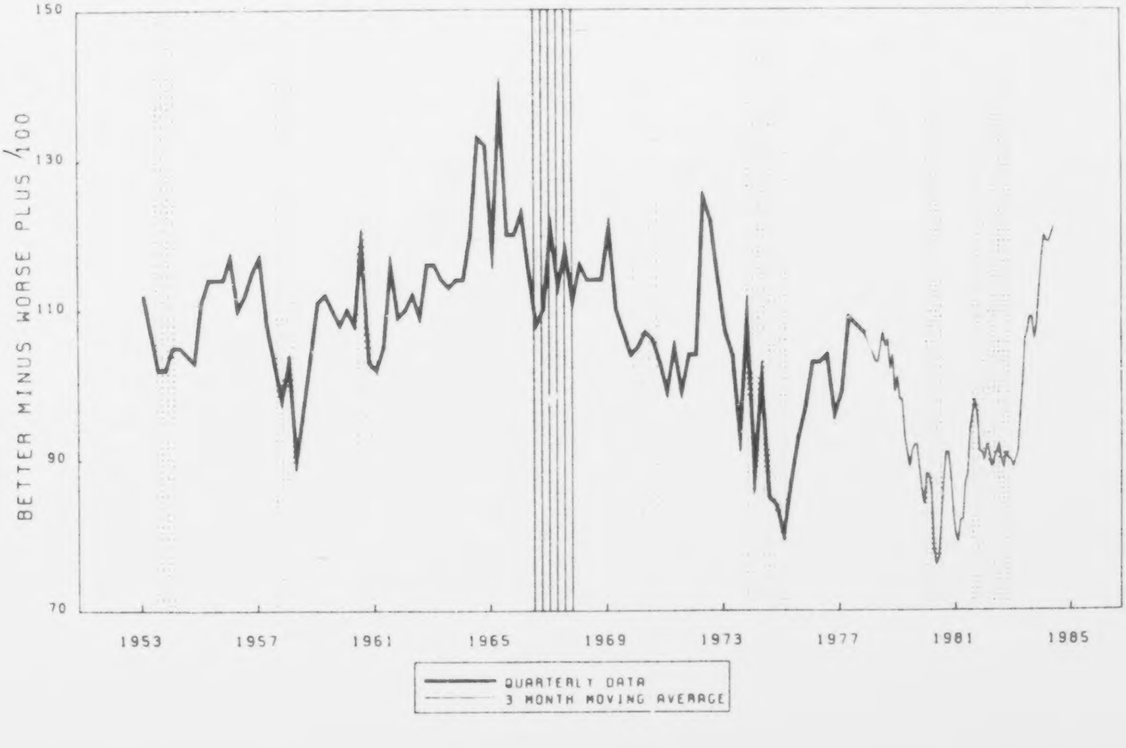


CHART 4 - HISTORICAL SERIES
CURRENT FINANCIAL SITUATION COMPARED WITH A YEAR AGO



## TABLE 4

## CURRENT FINANCIAL SITUATION COMPARED TO A YEAR AGO

| | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| BETTER OFF | 38% | 40% | 36% | 38% | 36% | 38% | 45% | 42% | 44% | 48% | 43% | 44% | 47 |
| SAME | 33 | 31 | 34 | 33 | 32 | 35 | 33 | 32 | 31 | 26 | 30 | 33 | 31 |
| WORSE OFF | 28 | 29 | 30 | 29 | 32 | 27 | 22 | 25 | 25 | 26 | 26 | 23 | 21 |
| DK,NA | 1 | * | * | * | * | * | * | 1 | * | * | 1 | * | 1 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100 |
| CASES | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 | 690 | 680 |

The question was: "We are interested in how people are getting along financially these days. Would you say that you (and your family living there) are better off or worse off financially than you were a year ago?"

* : Less than half of one percent.

CHART 5 - RECENT CHANGES
REASONS FOR OPINIONS ABOUT PERSONAL FINANCIAL SITUATION

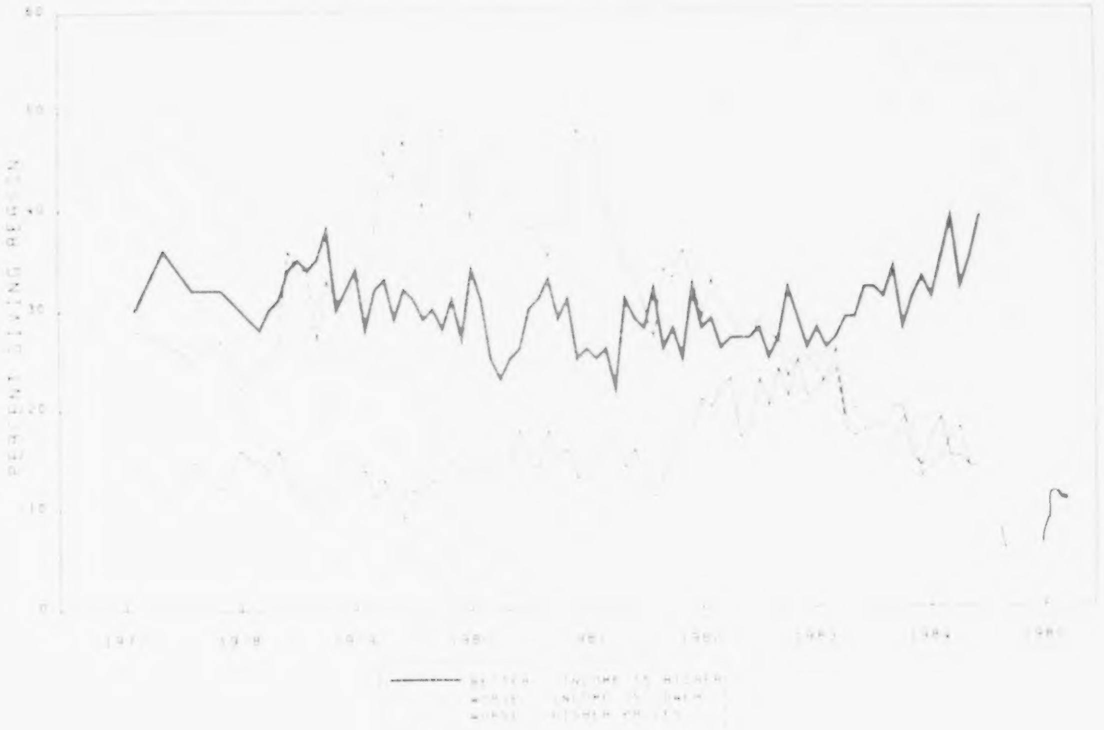
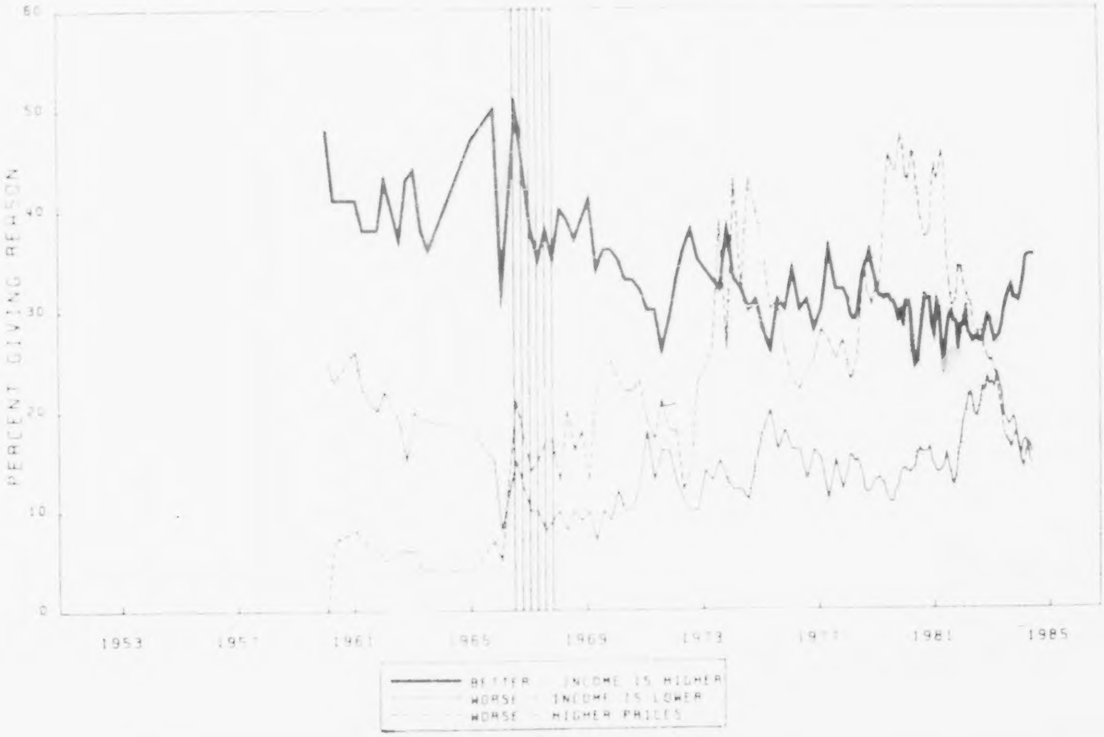


CHART 5 - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT PERSONAL FINANCIAL SITUATION



## TABLE 5

## SELECTED REASONS FOR OPINIONS ABOUT PERSONAL FINANCIAL SITUATION +

| | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| BETTER OFF THAN YEAR AGO: | | | | | | | | | | | | | |
| Income is higher | 32% | 32% | 31% | 34% | 28% | 31% | 33% | 31% | 35% | 39% | 32% | 35% | 39% |
| WORSE OFF THAN YEAR AGO: | | | | | | | | | | | | | |
| Income is lower | 19 | 18 | 18 | 20 | 20 | 15 | 14 | 17 | 19 | 15 | 15 | 14 | 14 |
| Higher prices | 18 | 16 | 16 | 16 | 19 | 18 | 13 | 14 | 15 | 17 | 18 | 14 | 14 |

Responses to the query: "Why do you say so?" following the question on Table 4.

+ : May add to more than 100% due to multiple mentions.

CHART [illegible]: RECENT CHANGES
EXPECTED CHANGE IN FINANCIAL SITUATION

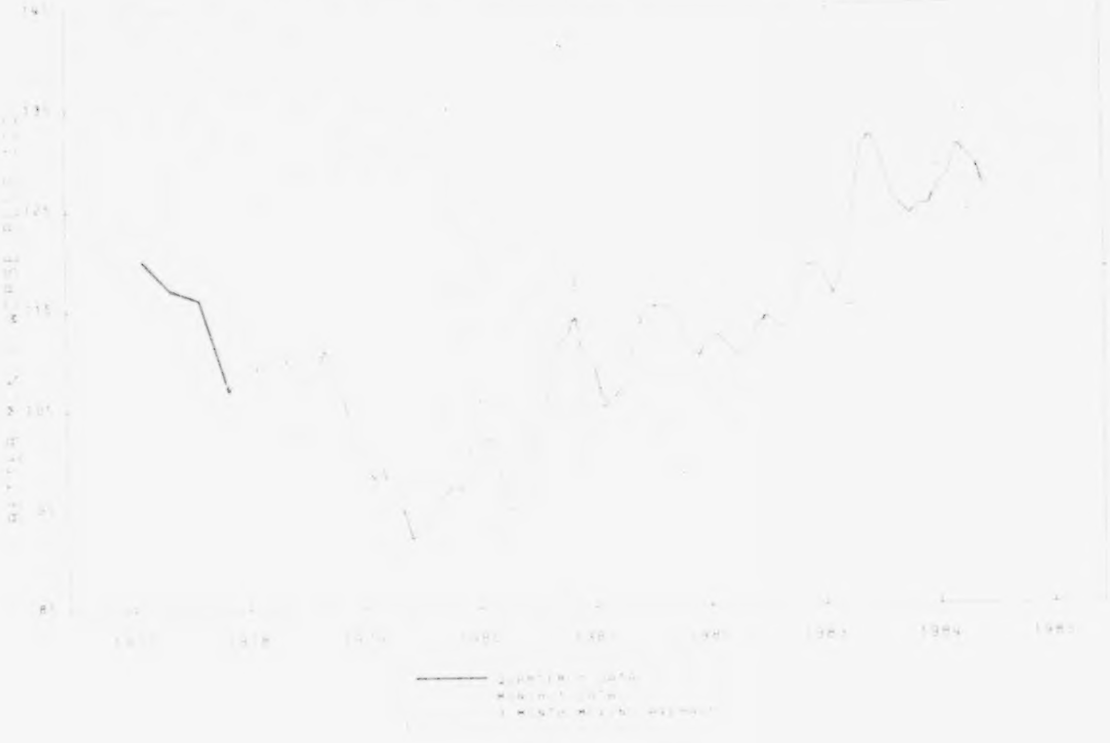
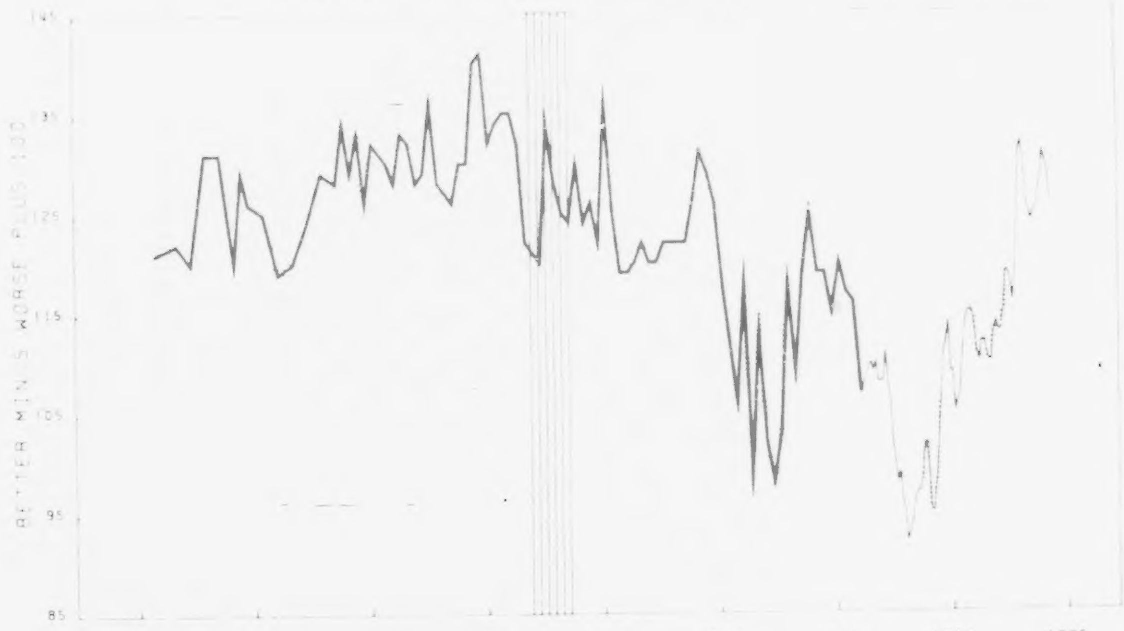


CHART [illegible]: HISTORICAL SERIES
EXPECTED CHANGE IN FINANCIAL SITUATION



## TABLE 6

## EXPECTED CHANGE IN FINANCIAL SITUATION

| | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| BETTER OFF | 37% | 35% | 37% | 37% | 37% | 38% | 35% | 38% | 41% | 44% | 37% | 40% | 35% |
| SAME | 52 | 52 | 46 | 48 | 46 | 47 | 51 | 50 | 44 | 44 | 48 | 47 | 52 |
| WORSE OFF | 9 | 9 | 13 | 12 | 13 | 11 | 10 | 9 | 11 | 9 | 13 | 11 | 11 |
| DK,NA | 2 | 4 | 4 | 3 | 4 | 4 | 4 | 3 | 4 | 3 | 2 | 2 | 2 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 | 690 | 680 |

The question was: "Now looking ahead--do you think that a year from now you (and your family living there) will be better off financially, or worse off, or just about the same as now?"

CHART 7 - RECENT CHANGES
TREND IN PERSONAL FINANCIAL SITUATION

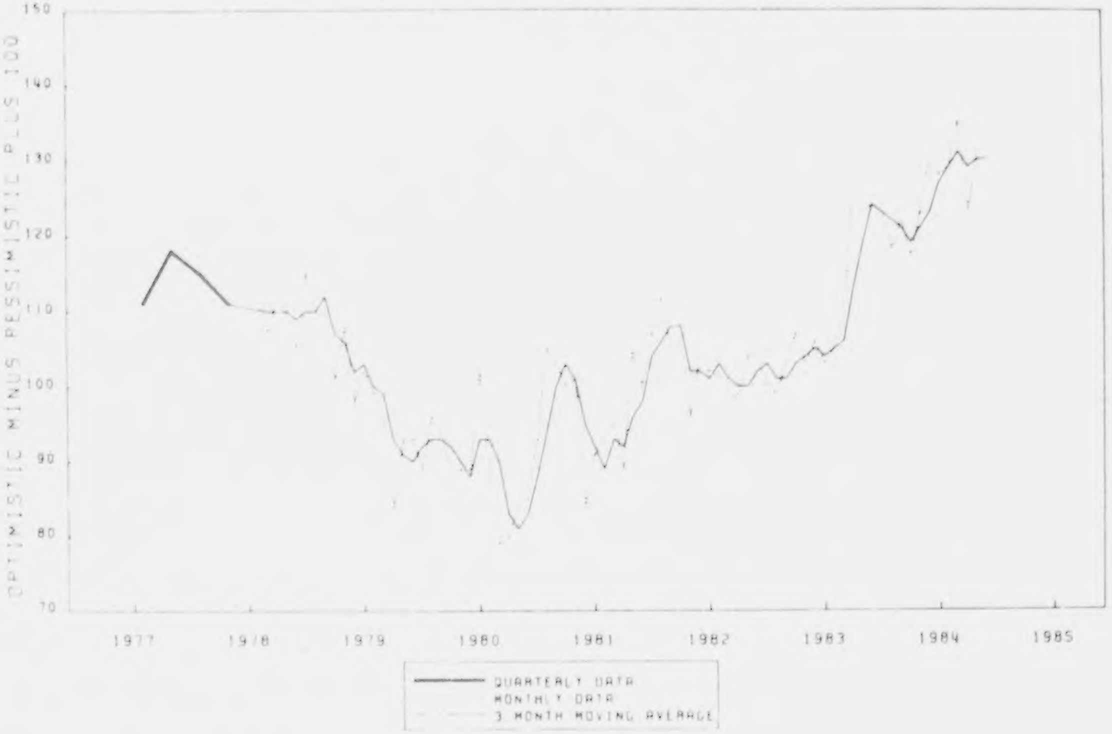
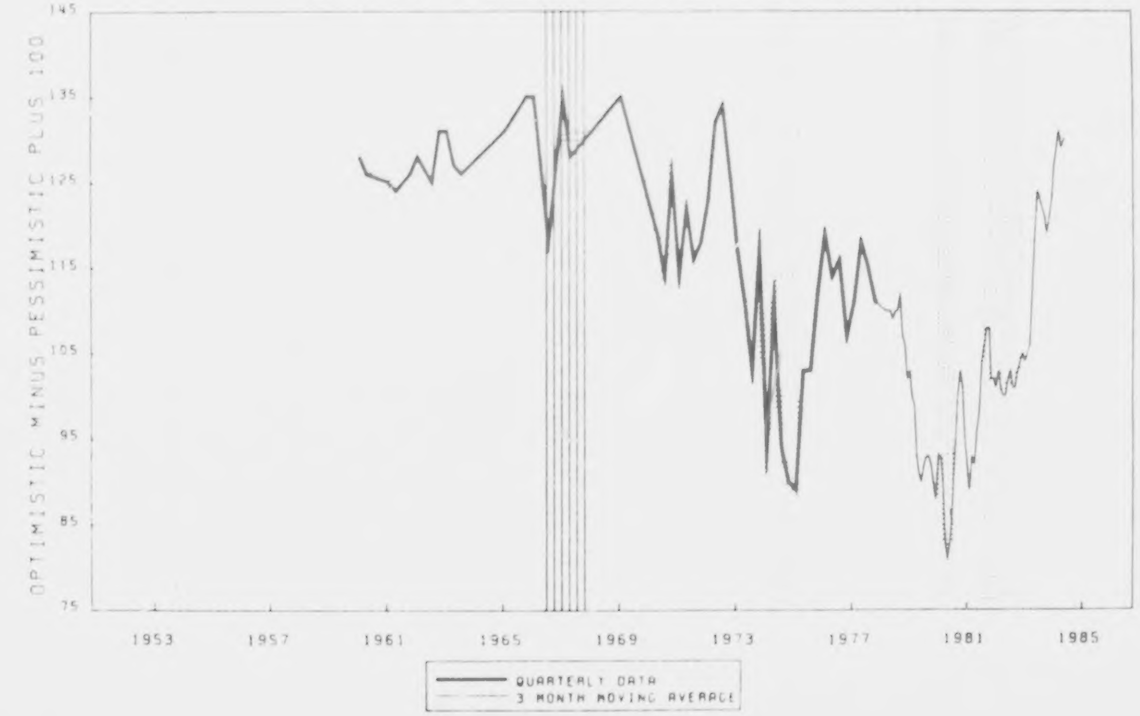


CHART 7 - HISTORICAL SERIES
TREND IN PERSONAL FINANCIAL SITUATION



## TABLE 7

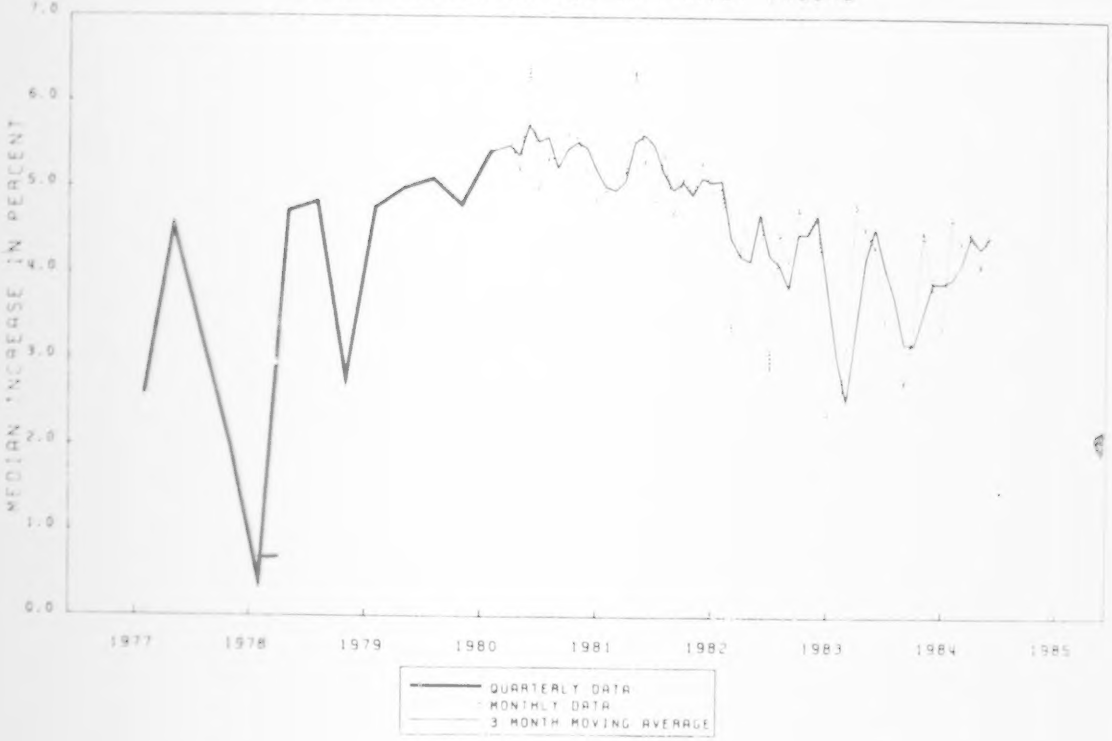
## TREND IN PERSONAL FINANCIAL SITUATION

| | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| PERSONAL FINANCIAL PROGRESS: | | | | | | | | | | | | | |
| Continuous increase (a) | 19% | 20% | 19% | 18% | 19% | 20% | 22% | 22% | 24% | 27% | 23% | 23% | 20% |
| Intermittent increase (b) | 26 | 24 | 23 | 27 | 23 | 23 | 26 | 26 | 25 | 27 | 22 | 24 | 32 |
| Remain unchanged (c) | 20 | 21 | 19 | 18 | 18 | 21 | 22 | 18 | 17 | 14 | 19 | 21 | 19 |
| Intermittent decline (d) | 17 | 16 | 18 | 17 | 18 | 15 | 13 | 16 | 16 | 14 | 16 | 12 | 12 |
| Continuous decline (e) | 4 | 5 | 6 | 6 | 7 | 5 | 5 | 4 | 4 | 5 | 6 | 4 | 5 |
| Mixed change (f) | 11 | 10 | 10 | 11 | 11 | 11 | 8 | 10 | 10 | 10 | 11 | 14 | 10 |
| DK,NA | 3 | 4 | 5 | 3 | 4 | 5 | 4 | 4 | 4 | 3 | 3 | 2 | 2 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 | 690 | 680 |

Combination of the responses to the questions on Tables 4 and 6.

Key: (a) Better off financially than a year ago/Better off a year from now
(b) Better/Same or Same/Better
(c) Same/Same
(d) Worse/Same or Same/Worse
(e) Worse/Worse
(f) Worse/Better or Better/Worse

CHART 8 - RECENT CHANGES
MEDIAN EXPECTED CHANGE IN FAMILY INCOME



## TABLE 8

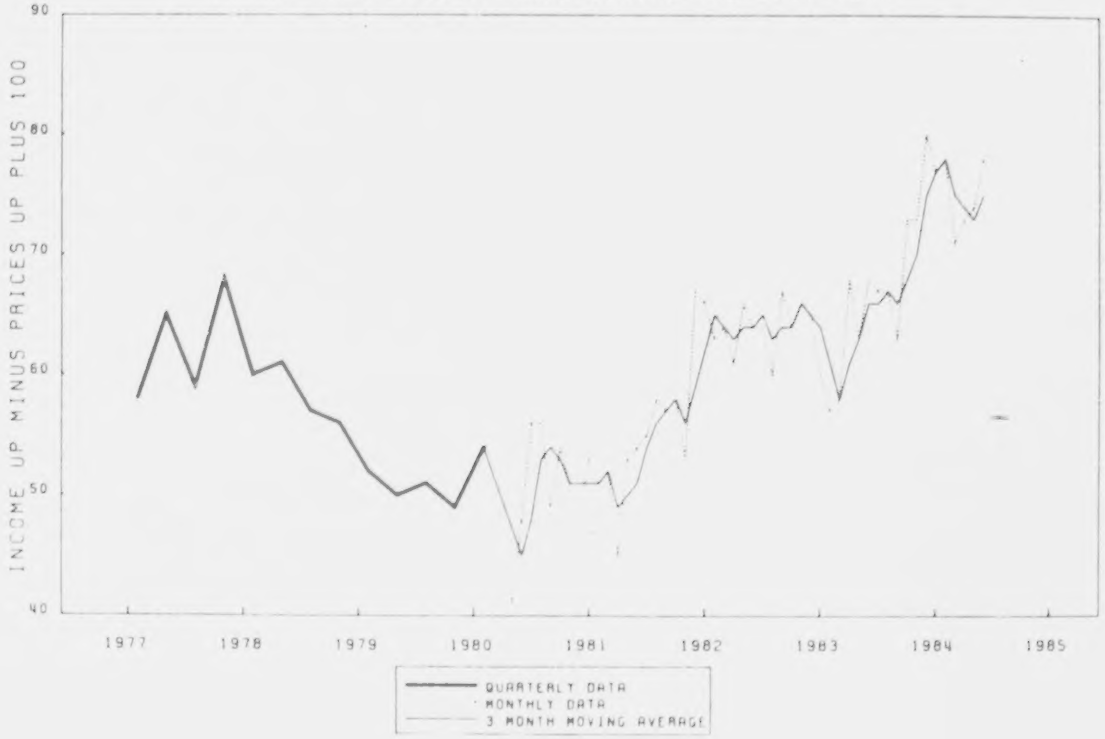
## EXPECTED FAMILY INCOME CHANGE DURING THE NEXT 12 MONTHS

| | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| EXPECT INCREASE: | | | | | | | | | | | | | |
| 1-4% | 8% | 9% | 13% | 11% | 11% | 12% | 12% | 15% | 13% | 14% | 11% | 11% | 12% |
| 5% | 11 | 12 | 10 | 12 | 10 | 9 | 10 | 11 | 13 | 9 | 11 | 9 | 11 |
| 6-9% | 11 | 10 | 10 | 5 | 10 | 8 | 10 | 8 | 10 | 8 | 8 | 7 | 12 |
| 10-24% | 16 | 15 | 15 | 14 | 15 | 19 | 16 | 16 | 19 | 18 | 18 | 21 | 17 |
| 25% or more | 8 | 7 | 8 | 9 | 7 | 8 | 7 | 7 | 6 | 11 | 8 | 8 | 7 |
| DK how much up | 4 | 4 | 4 | 6 | 5 | 7 | 5 | 4 | 4 | 6 | 5 | 6 | 3 |
| EXPECT SAME | 28 | 28 | 23 | 30 | 26 | 23 | 26 | 27 | 22 | 26 | 22 | 26 | 24 |
| EXPECT DOWN | 13 | 13 | 14 | 12 | 13 | 11 | 12 | 10 | 11 | 7 | 15 | 11 | 11 |
| DK,NA | 1 | 2 | 3 | 1 | 3 | 3 | 2 | 2 | 2 | 1 | 2 | 1 | 3 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 | 690 | 680 |

The questions were: "During the next 12 months, do you expect your (family) income to be higher or lower than during the past year?" and "By about what percent do you expect your (family) income to increase during the next 12 months?"

CHART 9 - RECENT CHANGES

INCOME OR PRICES UP MORE DURING THE LAST YEAR



# TABLE 9

## PAST CHANGE IN REAL FAMILY INCOME

| | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| INCOME UP MORE | 17% | 18% | 20% | 15% | 20% | 22% | 23% | 23% | 22% | 20% | 20% | 20% | 21% |
| INCOME UP SAME | 32 | 29 | 26 | 31 | 32 | 28 | 32 | 29 | 32 | 30 | 32 | 33 | 34 |
| PRICES UP MORE | 49 | 51 | 53 | 52 | 47 | 49 | 43 | 46 | 44 | 49 | 47 | 46 | 43 |
| DK,NA | 2 | 2 | 1 | 2 | 1 | 1 | 2 | 2 | 2 | 1 | 1 | 1 | 2 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 | 690 | 680 |

The question was: "During the last year or two, would you say that your (family) income went up more than prices, went up about the same as prices, or went up less than prices?"

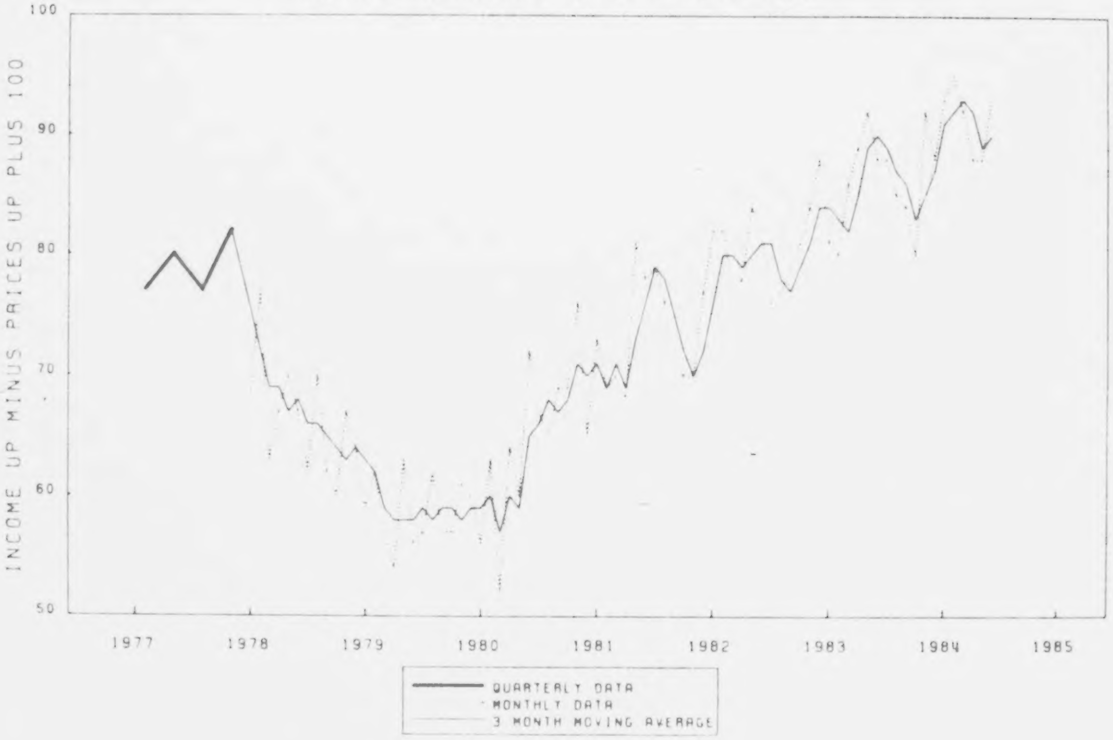


CHART 10 - RECENT CHANGES

INCOME OR PRICES UP MORE NEXT YEAR

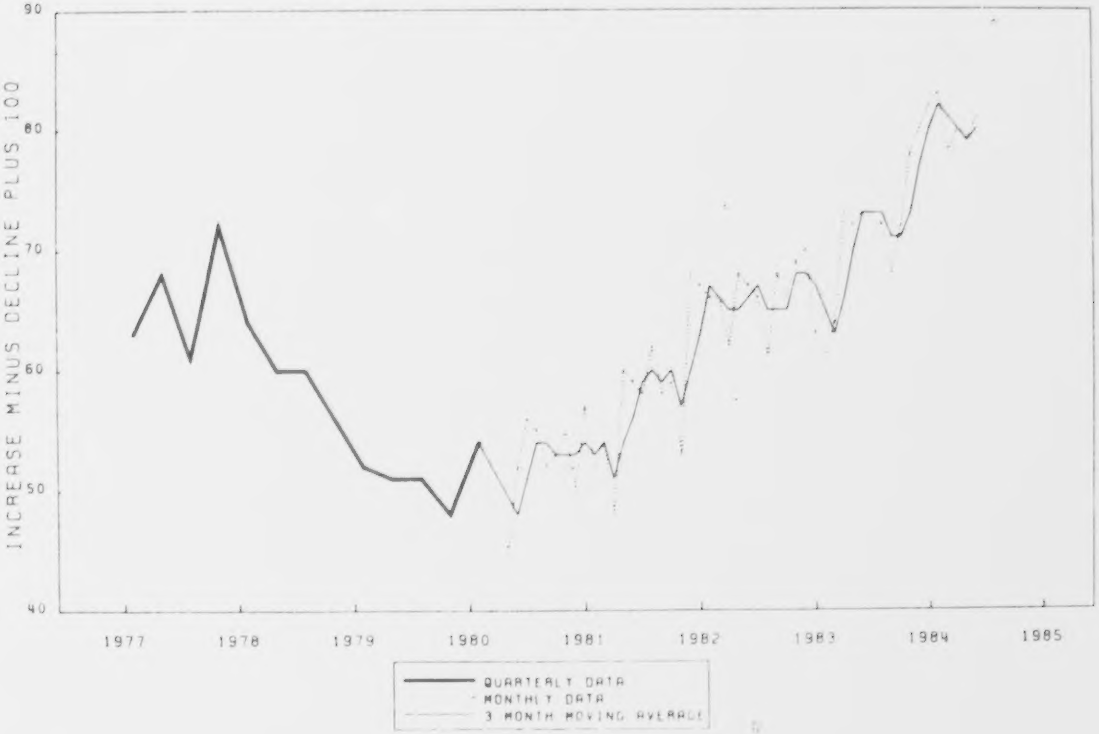
## TABLE 10

## EXPECTED CHANGE IN REAL FAMILY INCOME

| | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| INCOME UP MORE | 20% | 22% | 19% | 19% | 18% | 23% | 20% | 23% | 24% | 23% | 21% | 22% | 22% |
| INCOME UP SAME | 46 | 41 | 43 | 44 | 41 | 42 | 45 | 45 | 45 | 44 | 43 | 42 | 47 |
| PRICES UP MORE | 32 | 34 | 34 | 35 | 38 | 31 | 32 | 30 | 29 | 31 | 33 | 34 | 29 |
| DK,NA | 2 | 3 | 4 | 2 | 3 | 4 | 3 | 2 | 2 | 2 | 3 | 2 | 2 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 | 690 | 680 |

The question was: "How about the next year or two--do you expect that your (family) income will go up more than prices will go up, about the same, or less than prices will go up?"

CHART 11 - RECENT CHANGES
TREND IN INCOME AND PRICE COMPARISON



## TABLE 11

## TREND IN FAMILY INCOME AND PRICES COMPARISONS

| | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov.-Dec. 1983 | | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| REAL INCOME PROGRESS: | | | | | | | | | | | | | |
| Continuous increase (a) | 9% | 10% | 10% | 8% | 11% | 13% | 12% | 12% | 13% | 12% | 10% | 9% | 11% |
| Intermittent increase (b) | 12 | 13 | 13 | 10 | 10 | 12 | 14 | 14 | 13 | 12 | 14 | 17 | 13 |
| Remain unchanged (c) | 21 | 17 | 16 | 21 | 20 | 17 | 19 | 19 | 20 | 20 | 21 | 17 | 22 |
| Intermittent decline (d) | 23 | 23 | 24 | 23 | 21 | 23 | 23 | 21 | 22 | 20 | 18 | 22 | 23 |
| Continuous decline (e) | 25 | 27 | 27 | 27 | 28 | 24 | 23 | 23 | 21 | 26 | 26 | 25 | 20 |
| Mixed change (f) | 7 | 7 | 6 | 8 | 7 | 7 | 6 | 8 | 6 | 8 | 7 | 7 | 8 |
| DK,NA | 3 | 3 | 4 | 3 | 3 | 4 | 3 | 3 | 5 | 2 | 4 | 3 | 3 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 | 690 | 680 |

Combination of the responses to the questions on Tables 9 and 10.

Key: (a) Income up more last year/Income up more next year
(b) Income up more/Same or Income up same/More
(c) Income up same/Same
(d) Prices up more/Same or Prices up same/More
(e) Prices up more/More
(f) Income up more/Prices up more or Prices up more/Income up more

CHART 12 - RECENT CHANGES
NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS

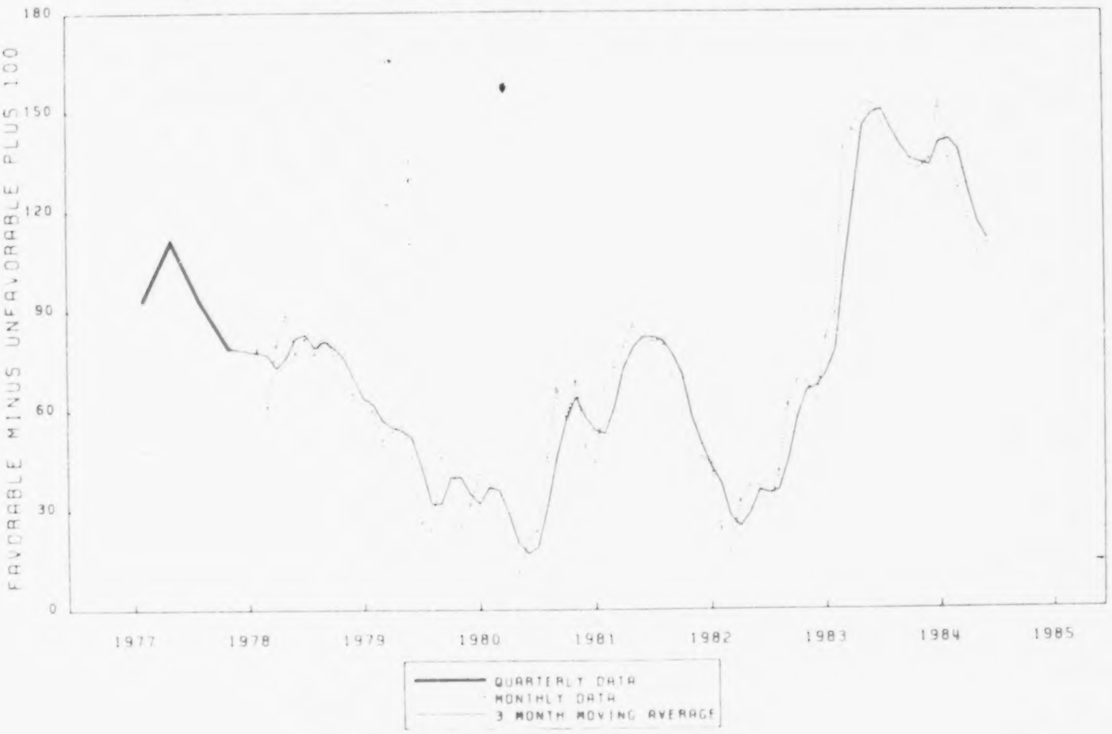
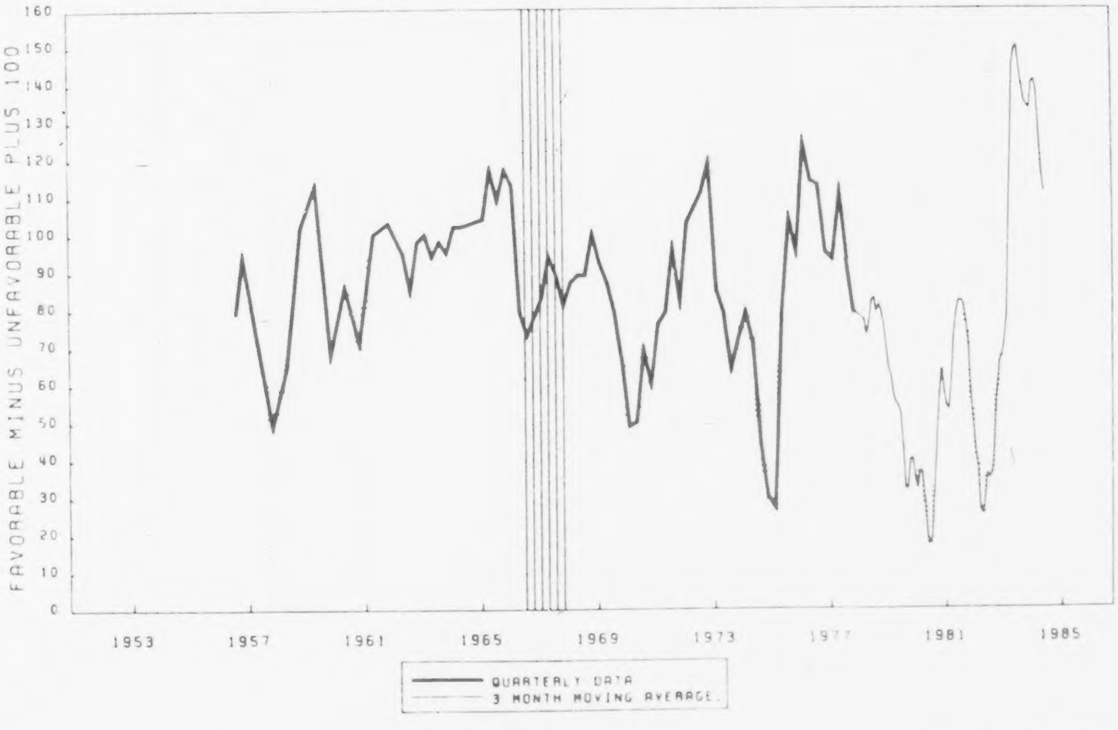


CHART 12 - HISTORICAL SERIES
NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS



## TABLE 12

## NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS +

| | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| FAVORABLE NEWS | 83% | 74% | 69% | 64% | 63% | 62% | 60% | 78% | 66% | 58% | 49% | 47% | 50% |
| UNFAVORABLE NEWS | 31 | 28 | 34 | 27 | 30 | 30 | 25 | 26 | 31 | 32 | 32 | 41 | 40 |
| NO MENTIONS | 27 | 34 | 34 | 43 | 41 | 39 | 42 | 33 | 38 | 43 | 46 | 41 | 41 |

The questions were: "During the last few months, have you heard of any favorable or unfavorable changes in business conditions?" and "What did you hear?"

+ : May add to more than 100% due to multiple mentions.

CHART 13A - HISTORICAL SERIES
TYPE OF NEWS HEARD ABOUT CHANGES IN BUSINESS CONDITIONS

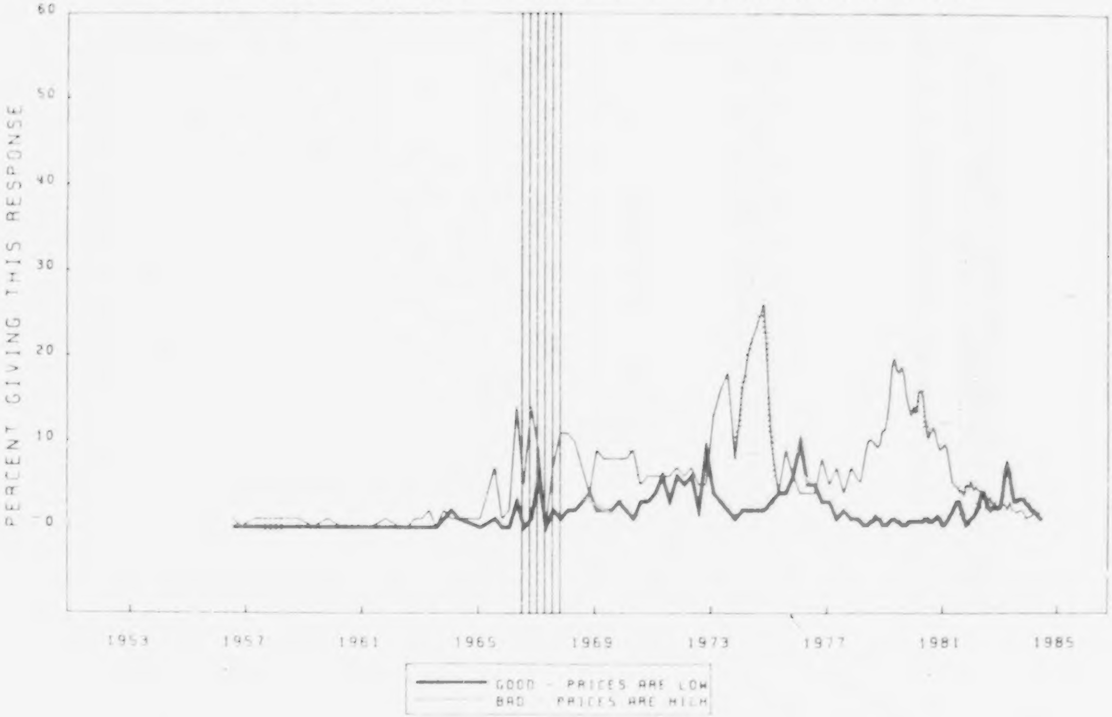
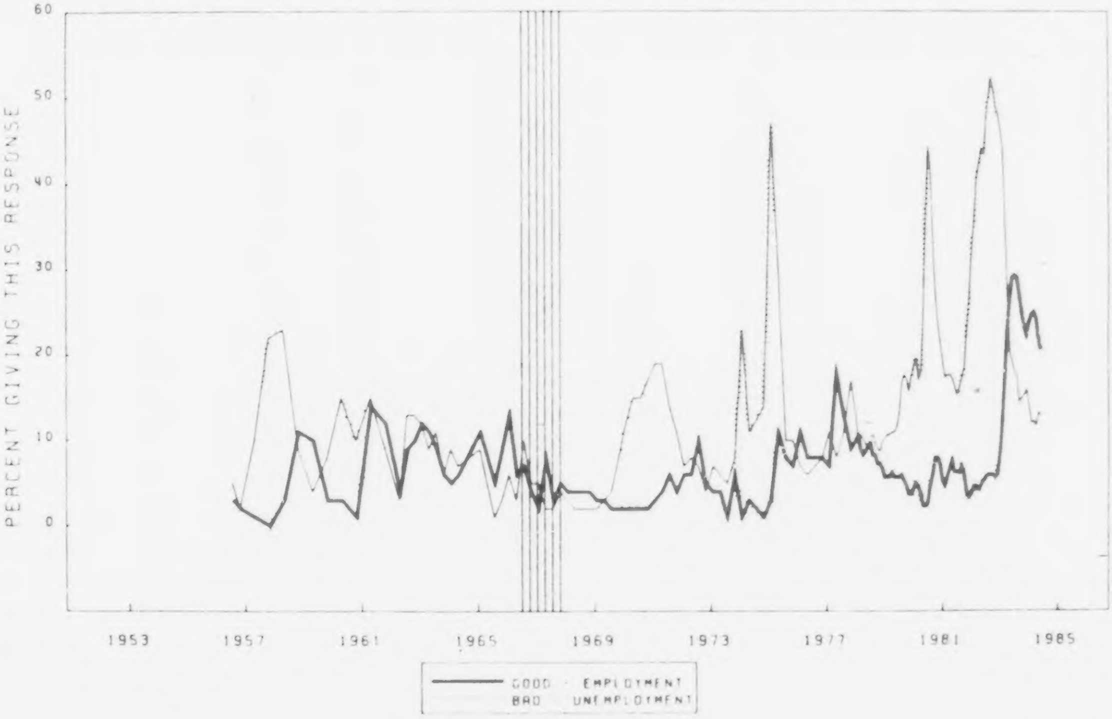


CHART 13B - HISTORICAL SERIES
TYPE OF NEWS HEARD ABOUT CHANGES IN BUSINESS CONDITIONS



## TABLE 13

### SELECTED ITEMS OF NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS +

| | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| FAVORABLE NEWS: | | | | | | | | | | | | | |
| Government; elections | 1% | 2% | 2% | 1% | 2% | 2% | 1% | 3% | 2% | 1% | 1% | 1% | 2% |
| Employment | 31 | 29 | 27 | 25 | 23 | 22 | 22 | 27 | 25 | 25 | 23 | 18 | 21 |
| Consumer demand high | 12 | 11 | 13 | 11 | 11 | 13 | 12 | 18 | 15 | 10 | 8 | 10 | 8 |
| Prices are low | 3 | 3 | 3 | 4 | 3 | 3 | 2 | 3 | 1 | 2 | 1 | 1 | 1 |
| Credit is easy | 17 | 11 | 8 | 8 | 7 | 5 | 4 | 5 | 4 | 5 | 4 | 2 | 3 |
| UNFAVORABLE NEWS: | | | | | | | | | | | | | |
| Government; elections | 2 | 2 | 3 | 1 | 1 | 2 | 3 | 2 | 5 | 4 | 2 | 3 | 2 |
| Unemployment | 21 | 16 | 16 | 11 | 18 | 17 | 13 | 13 | 10 | 14 | 11 | 15 | 13 |
| Consumer demand low | 2 | 2 | 2 | 1 | 1 | 2 | * | 2 | 1 | 1 | * | 2 | 1 |
| Prices are high | 2 | 1 | 2 | 3 | 1 | 1 | 1 | 2 | 1 | 2 | 1 | 2 | 2 |
| Credit is tight | 1 | 3 | 6 | 4 | 2 | 1 | 2 | 1 | 2 | 3 | 9 | 10 | 12 |
| Energy crisis | * | * | * | * | * | * | * | * | * | * | * | * | * |

The questions were: "During the last few months, have you heard of any favorable or unfavorable changes in business conditions?" and "What did you hear?"

+ : May add to more than 100% due to multiple mentions.

* : Less than half of one percent.

CHART 14 - RECENT CHANGES

CURRENT BUSINESS CONDITIONS COMPARED WITH A YEAR AGO

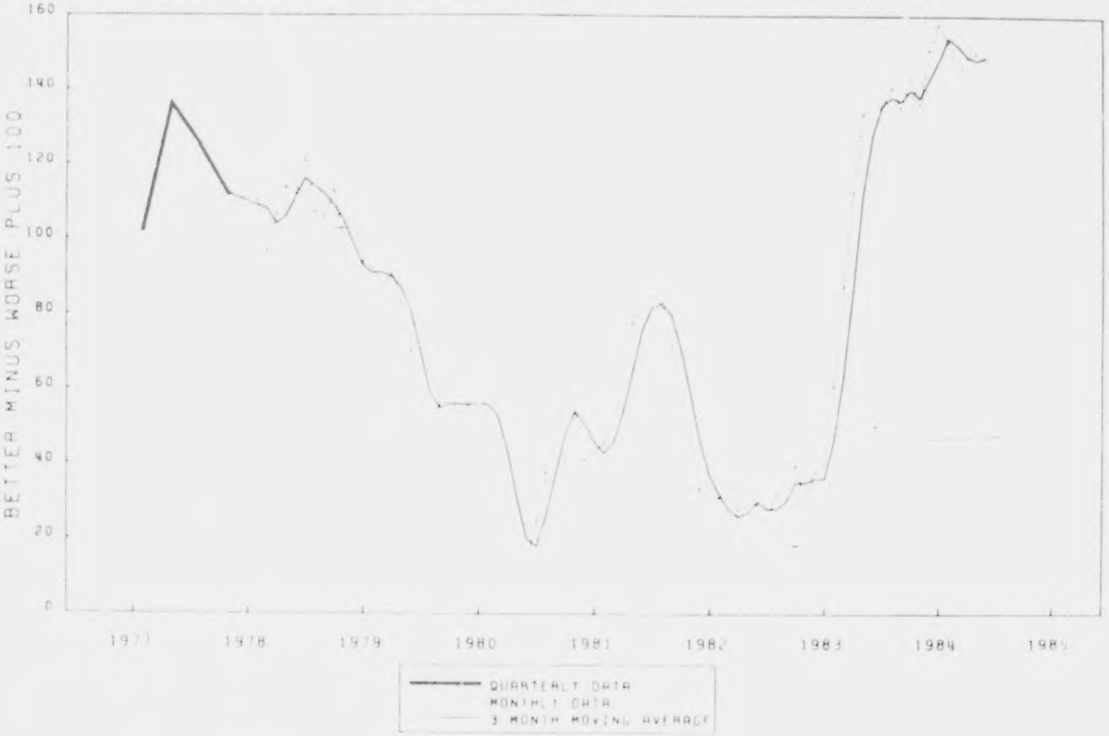
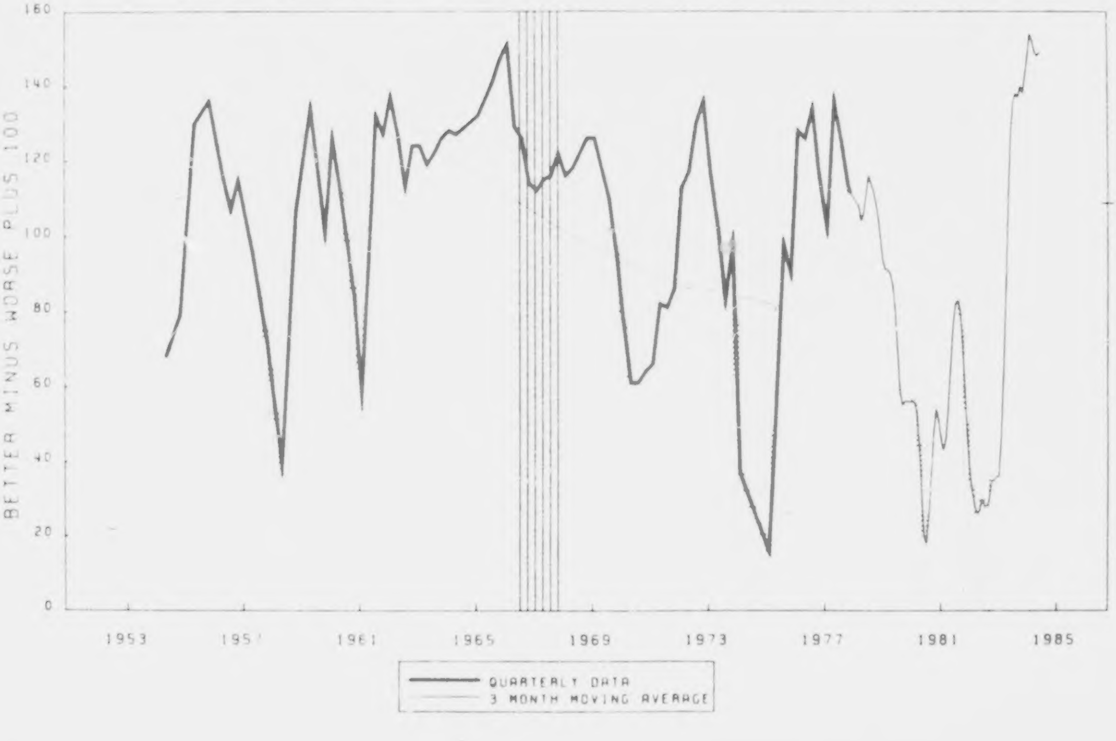


CHART 14 - HISTORICAL SERIES

CURRENT BUSINESS CONDITIONS COMPARED WITH A YEAR AGO



## TABLE 14

## CURRENT BUSINESS CONDITIONS COMPARED TO A YEAR AGO

| | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| BETTER NOW | 64% | 63% | 66% | 62% | 66% | 63% | 71% | 75% | 72% | 67% | 68% | 70% | 67% |
| SAME | 9 | 8 | 8 | 10 | 9 | 8 | 8 | 6 | 8 | 9 | 11 | 9 | 12 |
| WORSE NOW | 26 | 28 | 25 | 27 | 23 | 27 | 20 | 17 | 19 | 23 | 19 | 20 | 19 |
| DK,NA | 1 | 1 | 1 | 1 | 2 | 2 | 1 | 2 | 1 | 1 | 2 | 1 | 2 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 | 690 | 680 |

The question was: "Would you say that at the present time business conditions are better or worse than they were a year ago?"

CHART 15 - RECENT CHANGES
EXPECTED CHANGE IN BUSINESS CONDITIONS IN A YEAR

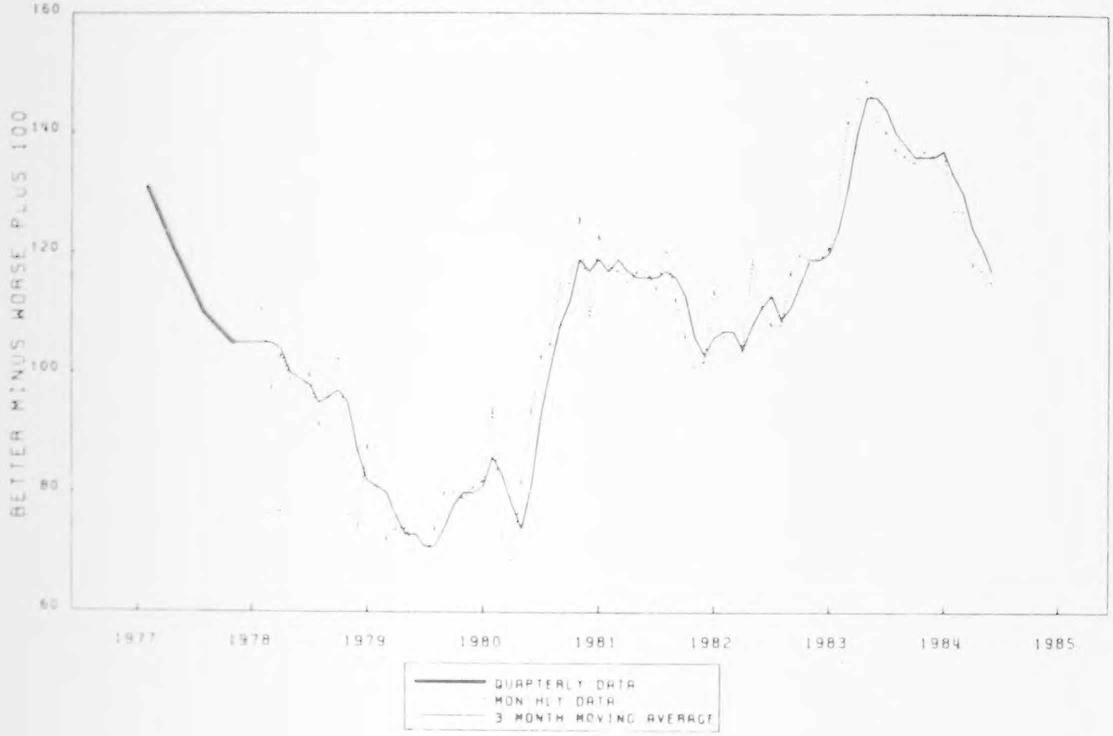
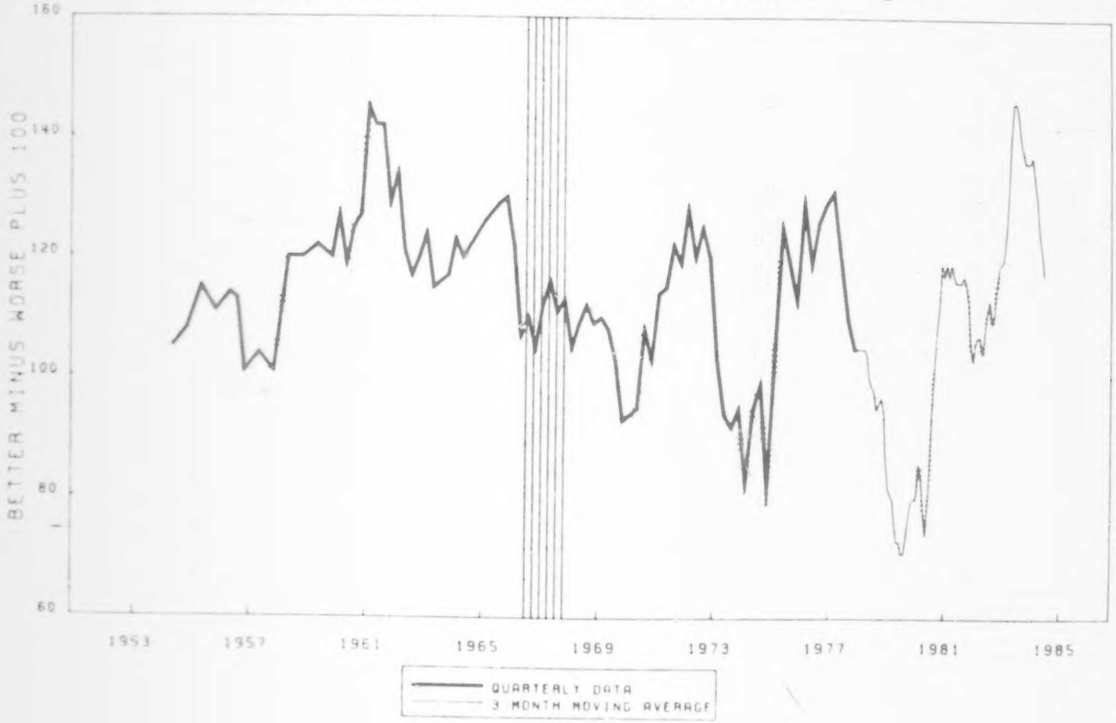


CHART 15 - HISTORICAL SERIES
EXPECTED CHANGE IN BUSINESS CONDITIONS IN A YEAR



## TABLE 15

## EXPECTED CHANGE IN BUSINESS CONDITIONS IN A YEAR

| | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| BETTER | 49% | 48% | 47% | 46% | 46% | 46% | 44% | 46% | 38% | 38% | 32% | 31% | 30% |
| SAME | 42 | 42 | 42 | 42 | 41 | 43 | 45 | 43 | 48 | 49 | 52 | 53 | 53 |
| WORSE | 7 | 8 | 10 | 10 | 11 | 9 | 8 | 9 | 11 | 11 | 14 | 14 | 15 |
| DK,NA | 2 | 2 | 1 | 2 | 2 | 2 | 3 | 2 | 3 | 2 | 2 | 2 | 2 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 | 690 | 680 |

The question was: "And how about a year from now, do you expect that in the country as a whole business conditions will be better, or worse than they are at present, or just about the same?"

CHART 16A - HISTORICAL SERIES

REASONS FOR OPINIONS ABOUT BUSINESS CONDITIONS IN A YEAR

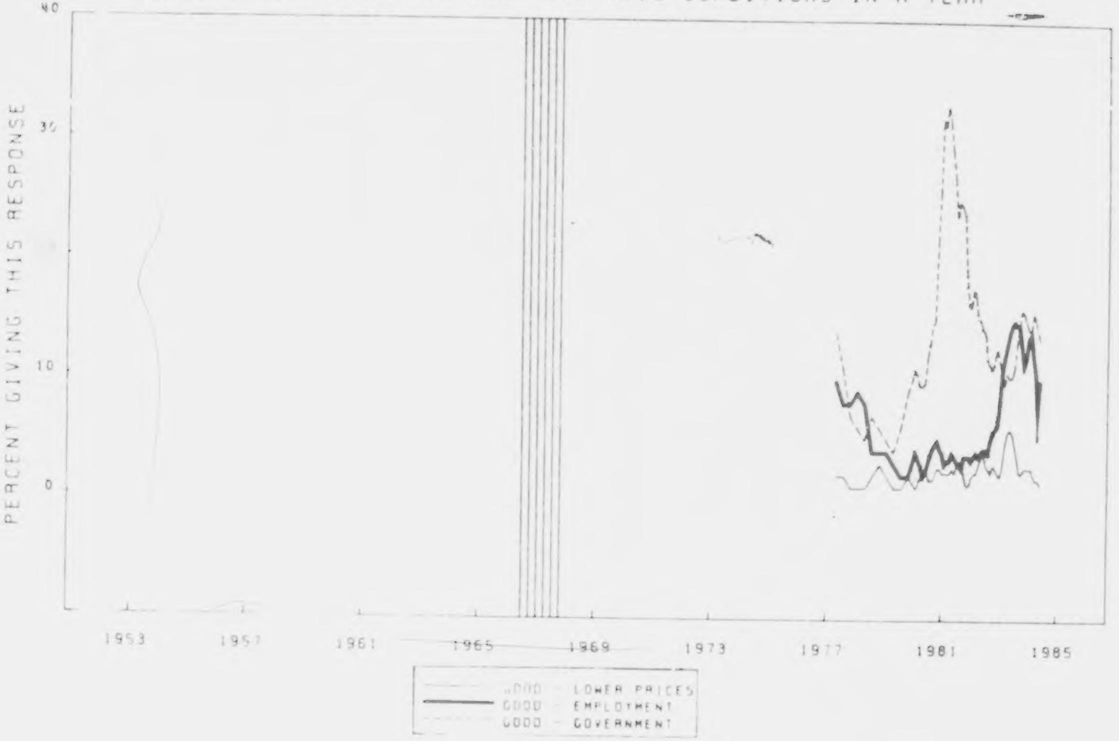
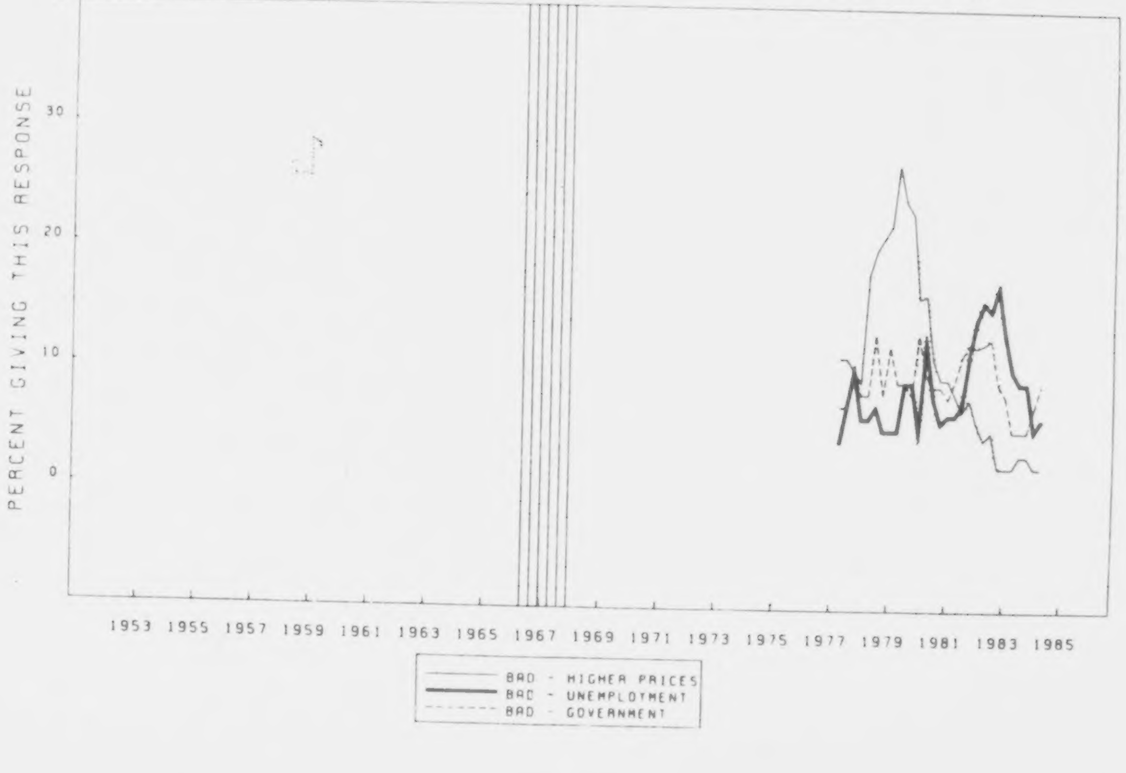


CHART 16B - HISTORICAL SERIES

REASONS FOR OPINIONS ABOUT BUSINESS CONDITIONS IN A YEAR



## TABLE 16

## REASONS FOR OPINIONS ABOUT CHANGES IN BUSINESS CONDITIONS IN A YEAR +

| | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| FAVORABLE REASONS: | | | | | | | | | | | | | |
| Government; elections | 10% | 13% | 16% | 15% | 17% | 15% | 13% | 15% | 15% | 17% | 13% | 12% | 15% |
| Employment | 14 | 15 | 15 | 14 | 10 | 10 | 16 | 15 | 11 | 10 | 11 | 9 | 10 |
| Higher consumer demand | 9 | 7 | 6 | 7 | 8 | 8 | 8 | 8 | 5 | 4 | 4 | 5 | 4 |
| Lower prices | 6 | 3 | 2 | 2 | 3 | 2 | 3 | 3 | 1 | 2 | 1 | 2 | 1 |
| Easier credit | 12 | 7 | 6 | 5 | 6 | 4 | 4 | 3 | 4 | 2 | 2 | 2 | 2 |
| UNFAVORABLE REASONS: | | | | | | | | | | | | | |
| Government; elections | 6 | 4 | 6 | 6 | 5 | 5 | 6 | 4 | 9 | 9 | 7 | 9 | 11 |
| Unemployment | 11 | 8 | 9 | 9 | 10 | 8 | 8 | 6 | 4 | 5 | 7 | 6 | 5 |
| Lower consumer demand | 2 | 4 | 3 | 1 | 3 | 2 | 2 | 2 | 1 | 1 | 2 | 2 | 2 |
| Higher prices | 2 | 3 | 4 | 2 | 3 | 3 | 2 | 3 | 1 | 3 | 2 | 3 | 2 |
| Tighter credit | 3 | 4 | 3 | 2 | 2 | 2 | 1 | 2 | 4 | 2 | 7 | 7 | 8 |
| Energy crisis | * | * | * | * | * | * | * | * | * | * | * | * | * |

The question was: "Why do you expect business conditions to be better/the same/worse a year from now?" following the question on table 15.

+ : May add to more than 100% due to multiple mentions.

* : Less than half of one percent.

CHART 17 - RECENT CHANGES
TREND IN PAST AND EXPECTED BUSINESS CONDITIONS

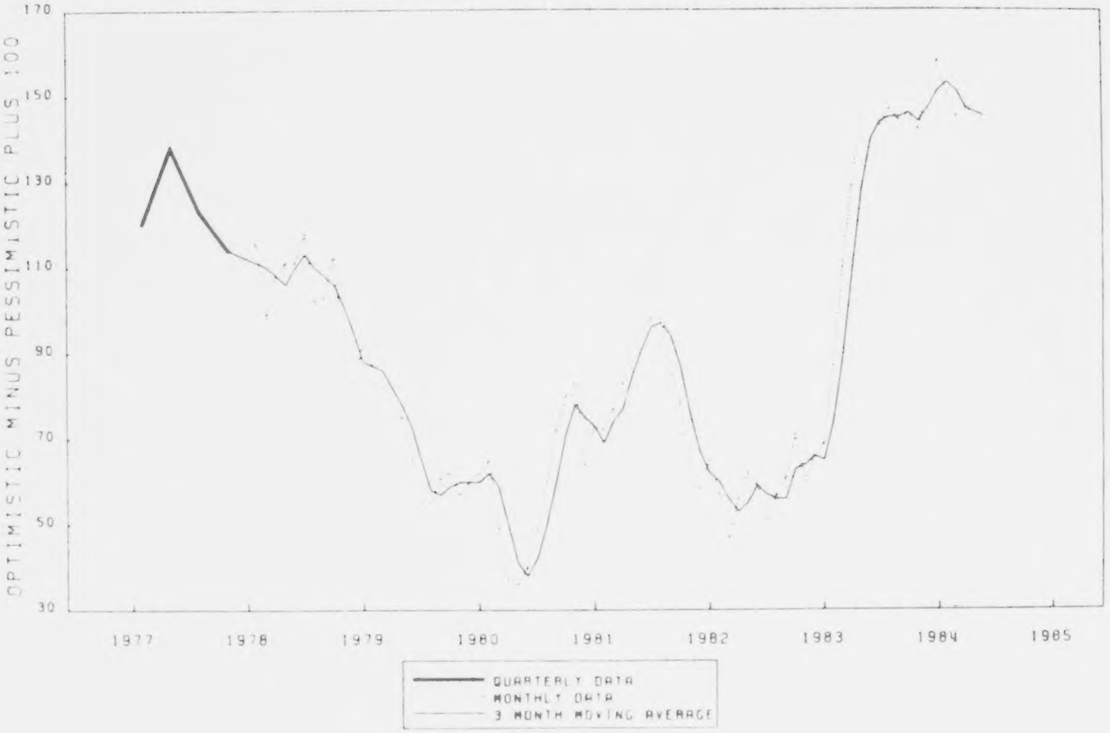
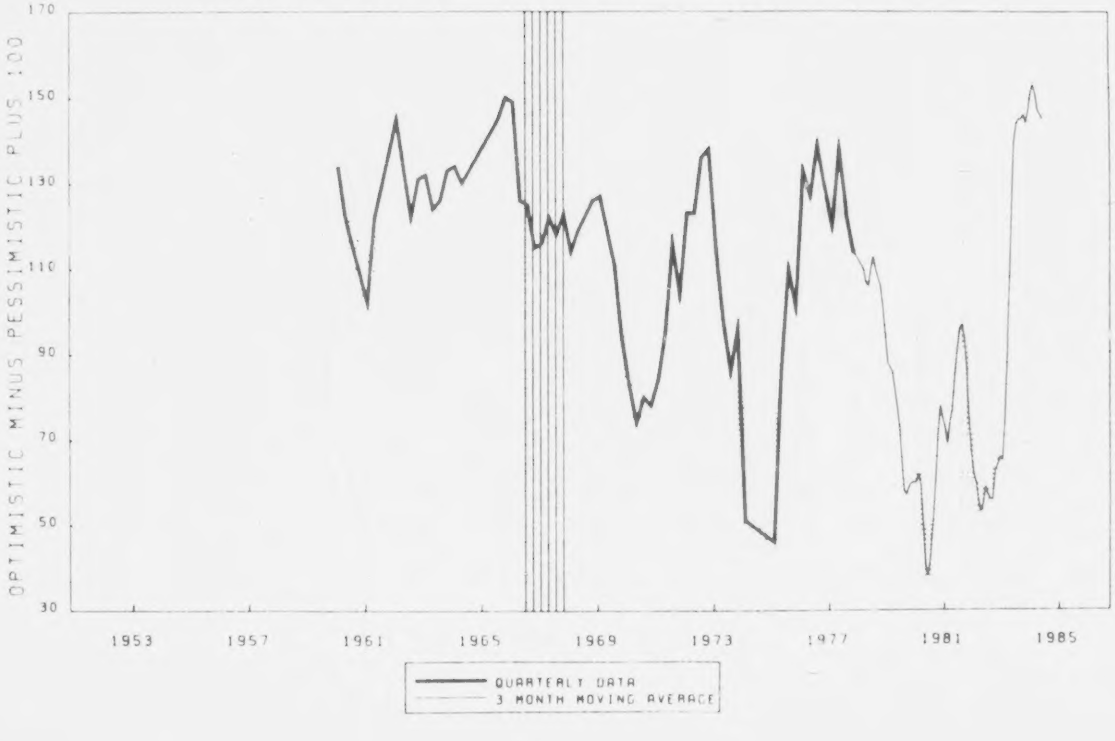


CHART 17 - HISTORICAL SERIES
TREND IN PAST AND EXPECTED BUSINESS CONDITIONS



## TABLE 17

## TREND IN PAST AND EXPECTED CHANGES IN BUSINESS CONDITIONS

| | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| TREND: | | | | | | | | | | | | | |
| Continuous increase (a) | 39% | 39% | 38% | 34% | 39% | 36% | 38% | 41% | 32% | 31% | 25% | 27% | 25% |
| Intermittent increase (b) | 26 | 24 | 27 | 28 | 26 | 27 | 30 | 31 | 34 | 32 | 39 | 36 | 37 |
| Remain unchanged (c) | 5 | 5 | 6 | 7 | 5 | 4 | 6 | 4 | 5 | 6 | 7 | 7 | 7 |
| Intermittent decline (d) | 16 | 15 | 12 | 12 | 13 | 17 | 12 | 10 | 12 | 14 | 10 | 13 | 11 |
| Continuous decline (e) | 5 | 5 | 6 | 6 | 6 | 4 | 4 | 4 | 4 | 4 | 7 | 5 | 7 |
| Mixed change (f) | 7 | 9 | 9 | 10 | 7 | 9 | 7 | 7 | 10 | 10 | 9 | 10 | 9 |
| DK,NA | 2 | 3 | 2 | 3 | 4 | 3 | 3 | 3 | 3 | 3 | 3 | 2 | 4 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 | 690 | 680 |

Combination of the responses to the questions on Tables 14 and 15.

Key: (a) Better than a year ago/Better a year from now
(b) Better/Same or Same/Better
(c) Same/Same
(d) Worse/Same or Same/Worse
(e) Worse/Worse
(f) Worse/Better or Better/Worse

CHART 18 - RECENT CHANGES
BUSINESS CONDITIONS EXPECTED DURING THE NEXT TWELVE MONTHS

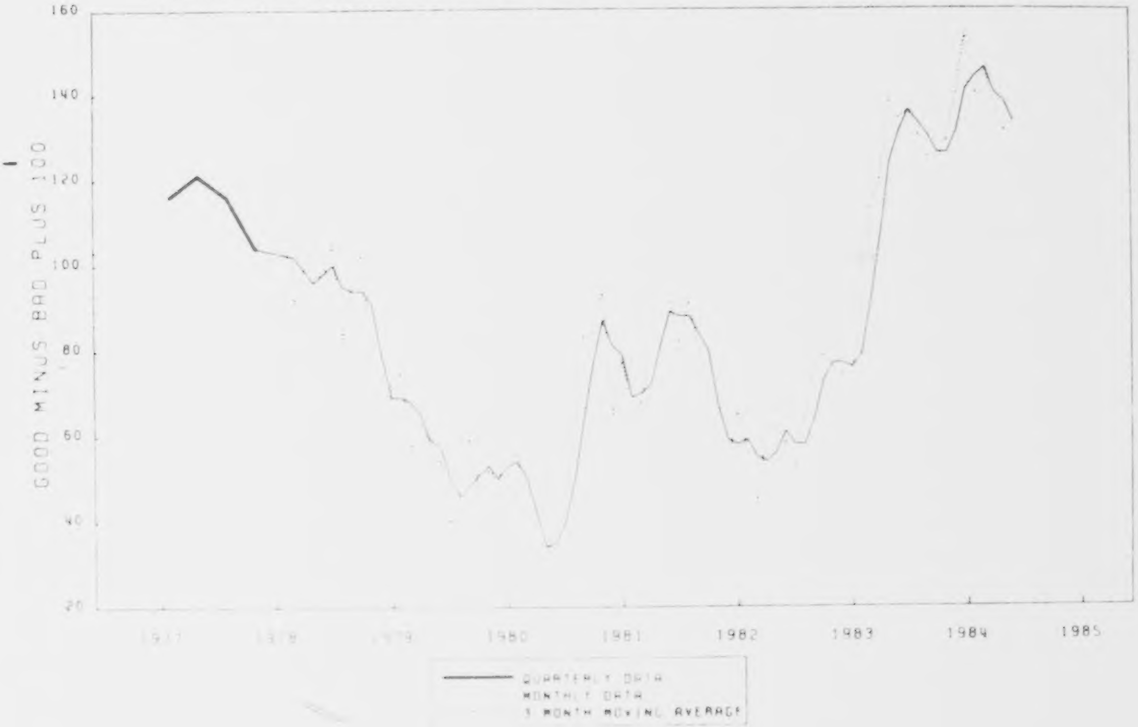
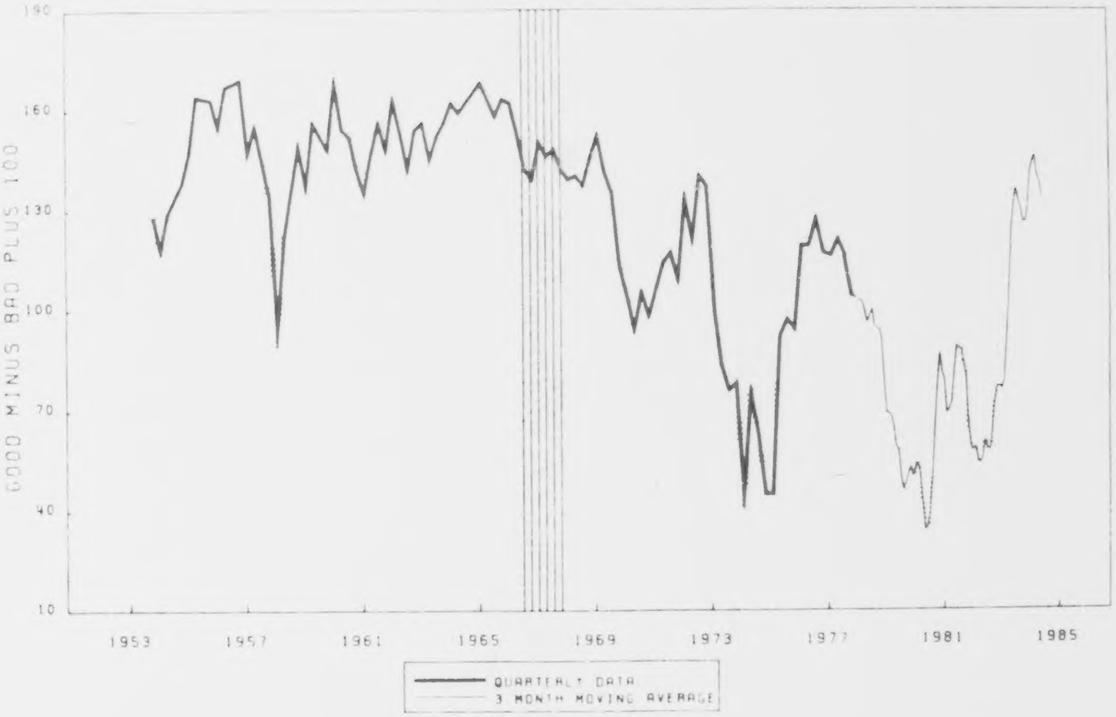


CHART 18 - HISTORICAL SERIES
BUSINESS CONDITIONS EXPECTED DURING THE NEXT TWELVE MONTHS



## TABLE 18

## BUSINESS CONDITIONS EXPECTED DURING THE NEXT 12 MONTHS

| | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| GOOD TIMES | 63% | 63% | 60% | 58% | 58% | 59% | 67% | 73% | 65% | 69% | 63% | 60% | 60% |
| UNCERTAIN; GOOD & BAD | 3 | 3 | 3 | 2 | 3 | 3 | 2 | 2 | 2 | 2 | 3 | 3 | 2 |
| BAD TIMES | 29 | 27 | 30 | 33 | 34 | 30 | 27 | 19 | 26 | 23 | 27 | 29 | 29 |
| DON'T KNOW | 3 | 6 | 5 | 5 | 4 | 6 | 3 | 5 | 5 | 4 | 5 | 5 | 6 |
| NOT ASCERTAINED | 2 | 1 | 2 | 2 | 1 | 2 | 1 | 1 | 2 | 2 | 2 | 3 | 3 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 | 690 | 680 |

The question was: "Now turning to business conditions in the country as a whole--do you think that during the next 12 months we'll have good times financially, or bad times or what?"

CHART 19 - RECENT CHANGES

BUSINESS CONDITIONS EXPECTED FOR THE NEXT FIVE YEARS

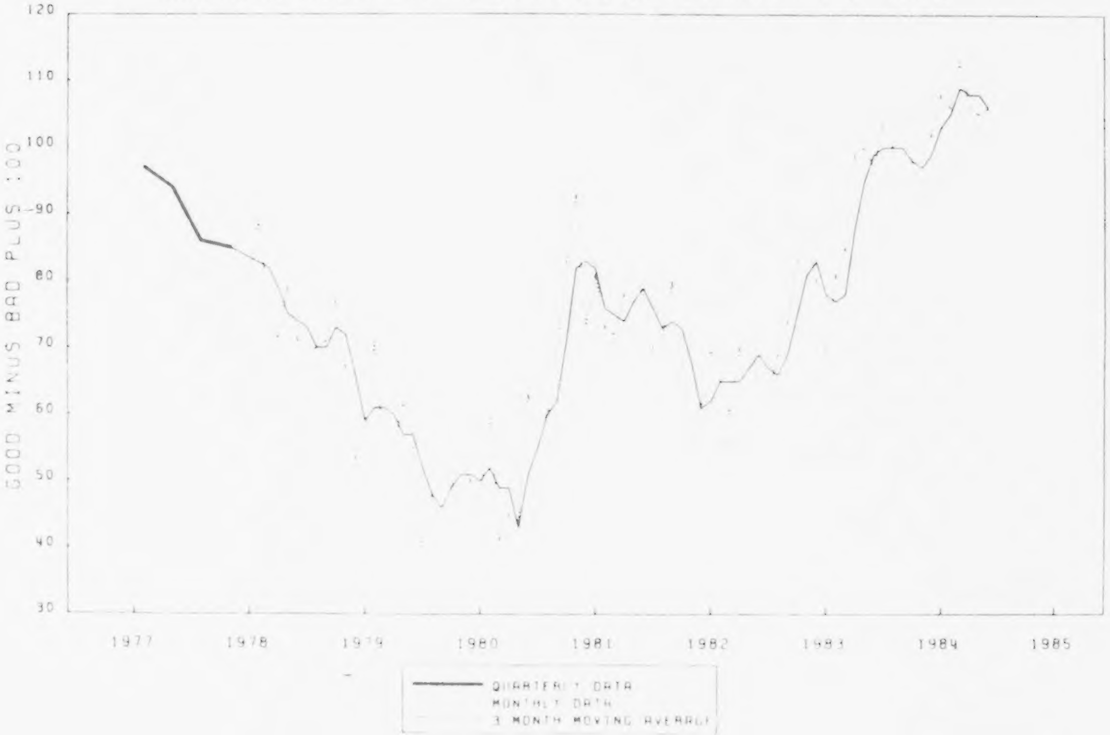


CHART 19 - HISTORICAL SERIES

BUSINESS CONDITIONS EXPECTED FOR THE NEXT FIVE YEARS

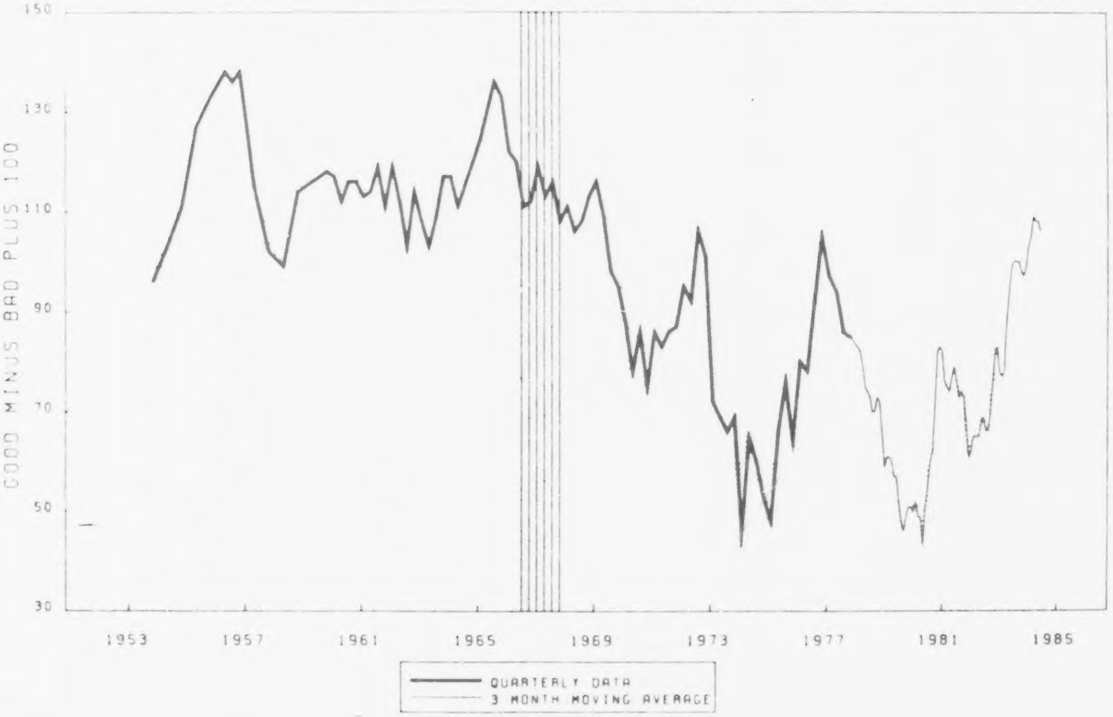


TABLE 19

BUSINESS CONDITIONS EXPECTED DURING THE NEXT FIVE YEARS

| | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| GOOD TIMES | 39% | 39% | 37% | 37% | 39% | 39% | 39% | 44% | 42% | 47% | 41% | 43% | 42% |
| UNCERTAIN; GOOD & BAD | 15 | 20 | 22 | 19 | 17 | 15 | 21 | 17 | 16 | 15 | 19 | 15 | 17 |
| BAD TIMES | 42 | 35 | 37 | 42 | 41 | 41 | 37 | 36 | 36 | 34 | 35 | 38 | 36 |
| NOT ASCERTAINED | 4 | 6 | 4 | 2 | 3 | 5 | 3 | 3 | 6 | 4 | 5 | 4 | 5 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 | 690 | 680 |

The question was: "Looking ahead, which would you say is more likely--that in the country as a whole we'll have continuous good times during the next 5 years or so, or that we will have periods of widespread unemployment or depression, or what?"

CHART 20 - RECENT CHANGES
EXPECTED CHANGE IN UNEMPLOYMENT

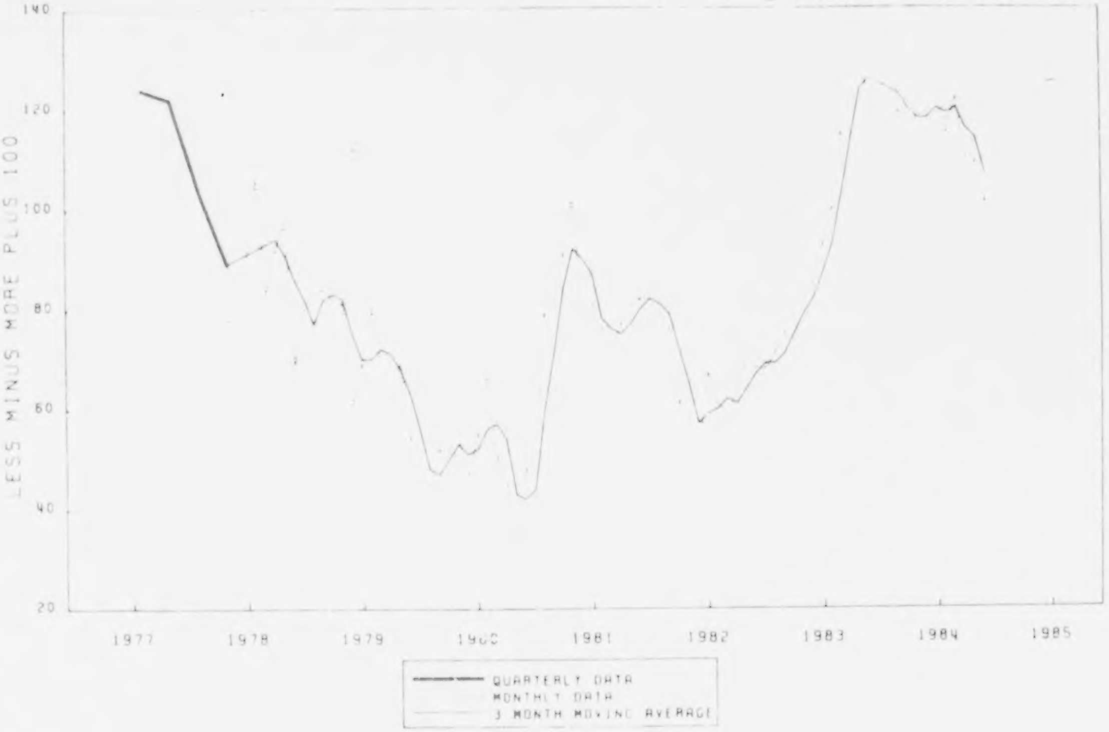


CHART 20 - HISTORICAL SERIES
EXPECTED CHANGE IN UNEMPLOYMENT

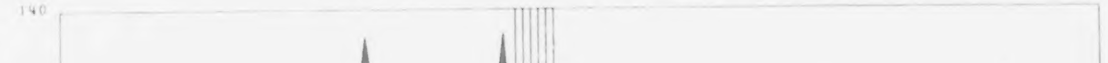


TABLE 20

EXPECTED CHANGE IN UNEMPLOYMENT

| | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| LESS | 37% | 39% | 42% | 36% | 35% | 35% | 36% | 36% | 31% | 38% | 28% | 29% | 24% |
| SAME | 47 | 44 | 40 | 46 | 44 | 47 | 45 | 48 | 50 | 45 | 52 | 51 | 52 |
| MORE | 15 | 16 | 15 | 17 | 20 | 16 | 17 | 14 | 16 | 16 | 18 | 20 | 23 |
| DK,NA | 1 | 1 | 3 | 1 | 1 | 2 | 2 | 2 | 3 | 1 | 2 | * | 1 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 | 690 | 680 |

The question was: "How about people out of work during the coming 12 months--do you think that there will be more unemployment than now, about the same, or less?"

* : Less than half of one percent.

CHART 21 - RECENT CHANGES
EXPECTED CHANGE IN INTEREST RATES

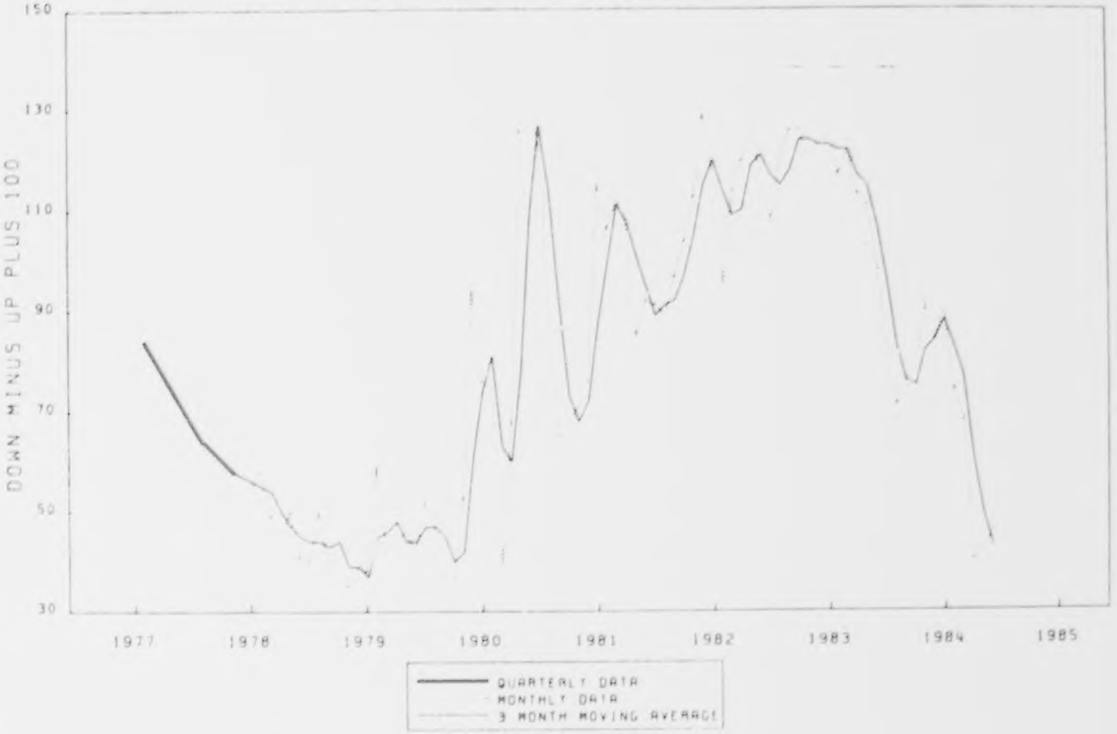
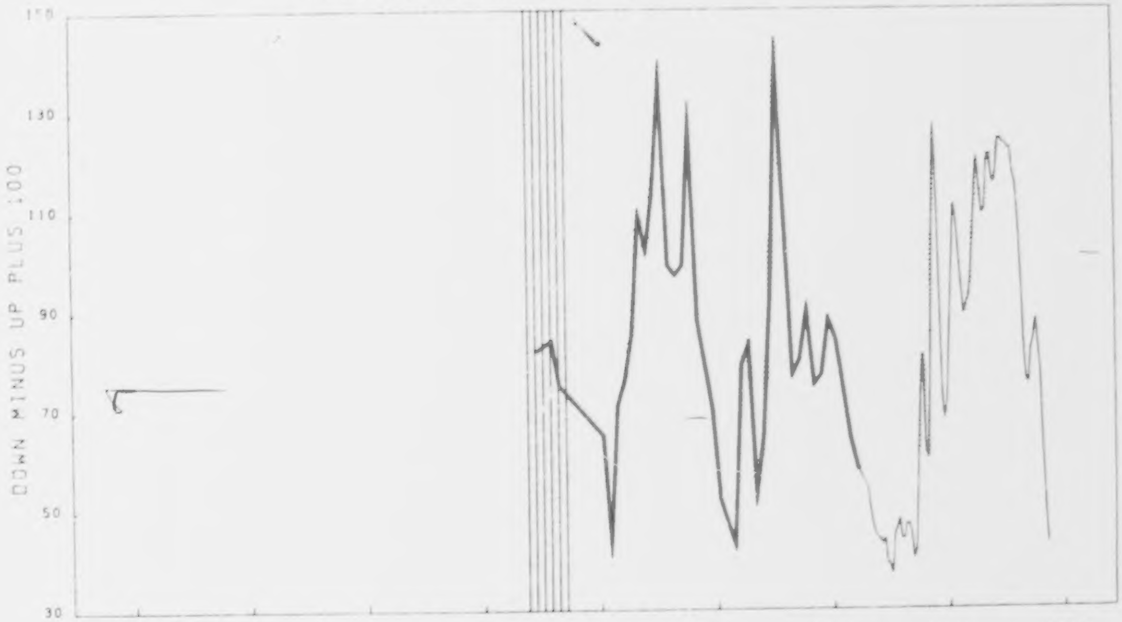


CHART 21 - HISTORICAL SERIES
EXPECTED CHANGE IN INTEREST RATES



## TABLE 21

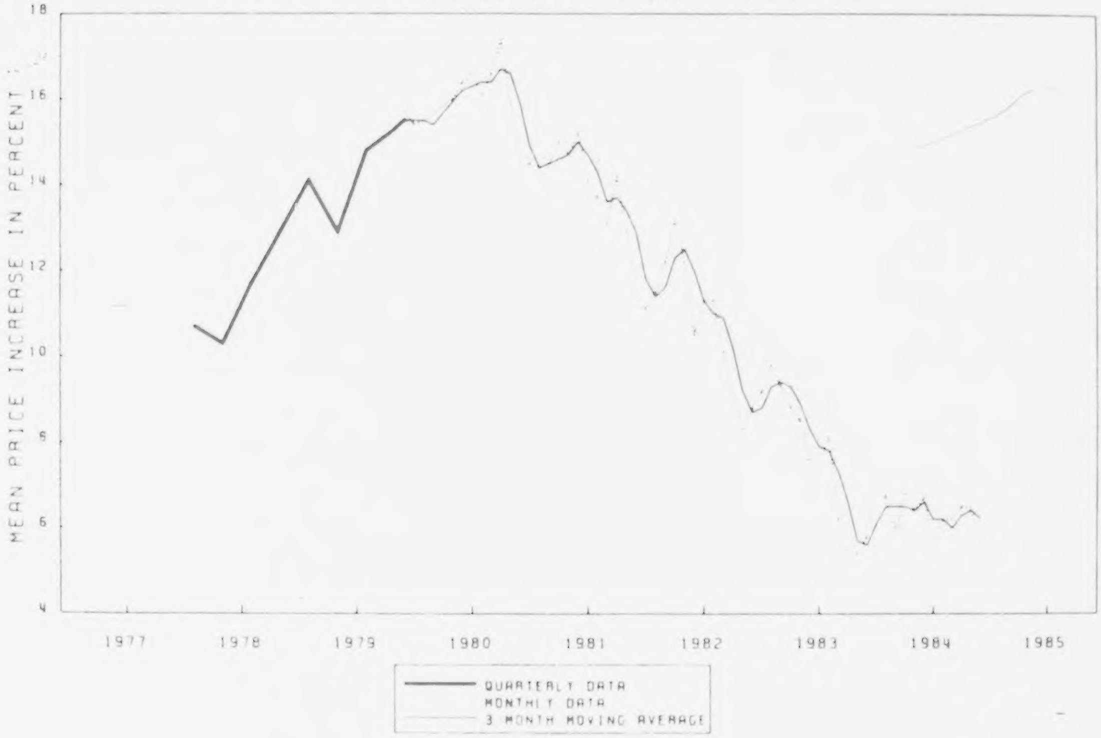
## EXPECTED CHANGE IN INTEREST RATES

| | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| GO UP | 29% | 40% | 47% | 44% | 43% | 33% | 37% | 32% | 42% | 45% | 68% | 66% | 64% |
| STAY THE SAME | 42 | 37 | 32 | 33 | 33 | 40 | 37 | 43 | 38 | 37 | 21 | 25 | 24 |
| GO DOWN | 27 | 20 | 18 | 20 | 21 | 24 | 21 | 22 | 16 | 13 | 8 | 8 | 10 |
| DK,NA | 2 | 3 | 3 | 3 | 3 | 3 | 5 | 3 | 4 | 5 | 3 | 1 | 2 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 | 690 | 680 |

The question was: "No one can say for sure, but what do you think will happen to interest rates for borrowing money during the next 12 months--will they go up, stay the same, or go down?"

CHART 22 - RECENT CHANGES

CHANGE IN PRICES DURING THE LAST 12 MONTHS



## TABLE 22

## CHANGE IN PRICES DURING THE LAST 12 MONTHS

| | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| SAME OR DOWN | 29% | 23% | 25% | 25% | 21% | 24% | 24% | 23% | 23% | 23% | 22% | 23% | 22% |
| GONE UP BY: | | | | | | | | | | | | | |
| 1-2% | 8 | 8 | 8 | 11 | 8 | 9 | 8 | 12 | 9 | 8 | 10 | 10 | 12 |
| 3-4% | 13 | 14 | 14 | 13 | 14 | 13 | 15 | 16 | 14 | 16 | 14 | 14 | 17 |
| 5% | 14 | 13 | 16 | 15 | 16 | 15 | 15 | 17 | 17 | 15 | 17 | 17 | 16 |
| 6-9% | 11 | 11 | 8 | 7 | 11 | 8 | 8 | 8 | 9 | 10 | 11 | 9 | 8 |
| 10-14% | 11 | 13 | 13 | 12 | 14 | 14 | 11 | 9 | 14 | 12 | 9 | 13 | 12 |
| 15% or more | 10 | 11 | 11 | 9 | 11 | 9 | 10 | 7 | 9 | 9 | 12 | 10 | 8 |
| DK how much up | 3 | 6 | 5 | 7 | 4 | 7 | 8 | 7 | 5 | 7 | 5 | 4 | 5 |
| DK,NA | 1 | 1 | * | 1 | 1 | 1 | 1 | 1 | * | * | * | * | * |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| MEAN INCREASE | 5.8 | 7.0 | 6.7 | 5.9 | 6.8 | 6.4 | 6.7 | 5.6 | 6.2 | 6.2 | 6.5 | 6.4 | 5.6 |
| VARIANCE | 65 | 88 | 93 | 71 | 81 | 76 | 90 | 69 | 68 | 72 | 75 | 78 | 54 |
| CASES | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 | 690 | 680 |

The questions were: "During the last 12 months, have prices of the things you buy remained unchanged, or have they gone up, or have they gone down?" and "By about what percent do you think prices have gone up,on the average, during the last 12 months?"

* : Less than half of one percent.

CHART 23   RECENT CHANGES

MEAN EXPECTED PRICE INCREASE OVER THE NEXT 12 MONTHS

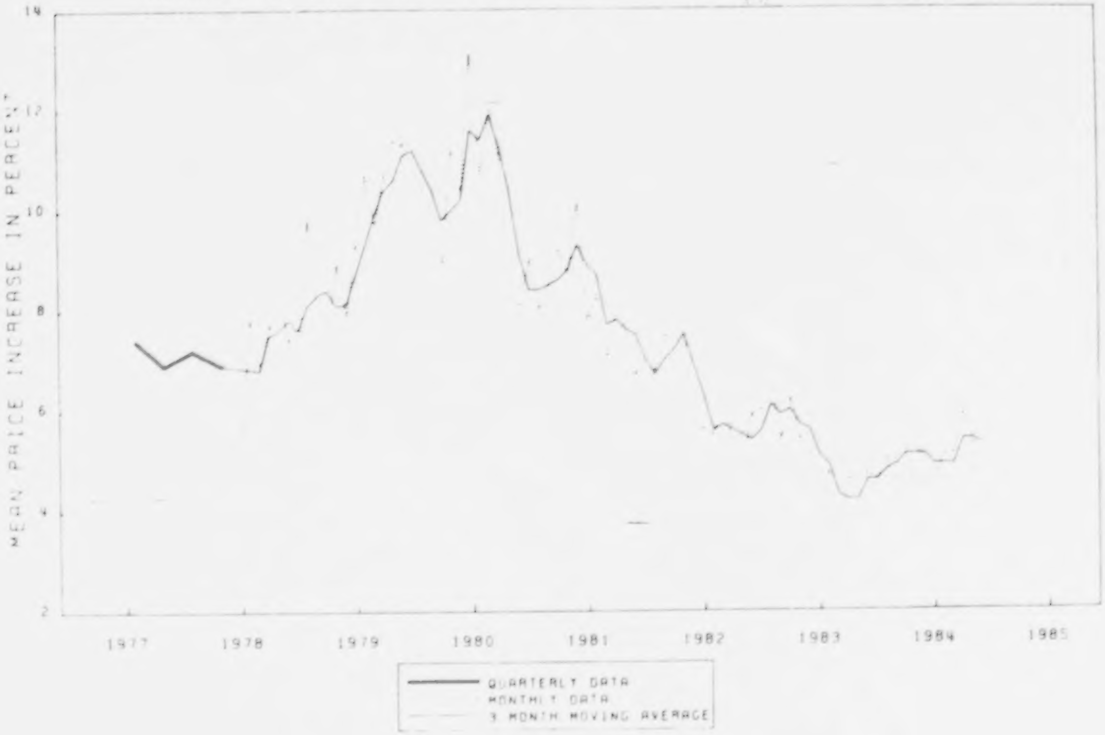
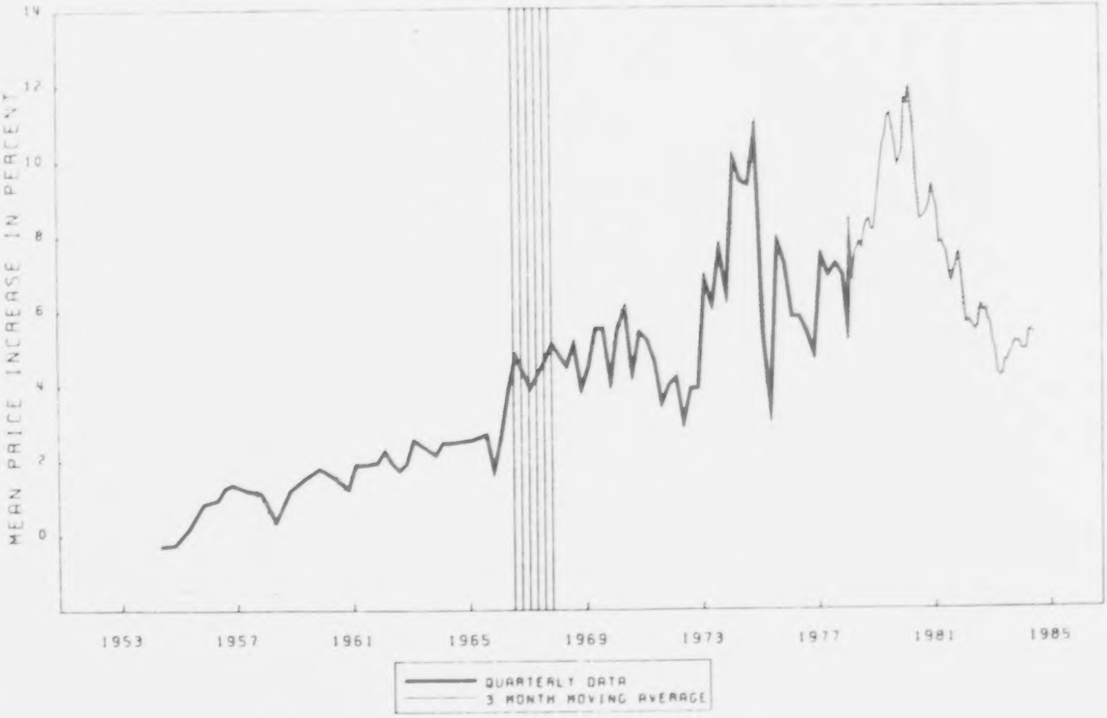


CHART 23 - HISTORICAL SERIES

MEAN EXPECTED PRICE INCREASE OVER THE NEXT 12 MONTHS



## TABLE 23

## EXPECTED CHANGE IN PRICES DURING THE NEXT 12 MONTHS

| | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| SAME OR DOWN | 33% | 29% | 23% | 28% | 24% | 25% | 23% | 25% | 23% | 24% | 19% | 19% | 19% |
| WILL GO UP BY: | | | | | | | | | | | | | |
| 1-2% | 8 | 12 | 14 | 13 | 12 | 12 | 12 | 13 | 14 | 14 | 13 | 15 | 14 |
| 3-4% | 15 | 15 | 16 | 14 | 15 | 14 | 15 | 20 | 19 | 16 | 17 | 15 | 16 |
| 5% | 16 | 15 | 16 | 16 | 15 | 16 | 17 | 13 | 19 | 15 | 15 | 20 | 18 |
| 6-9% | 9 | 9 | 9 | 7 | 10 | 9 | 8 | 9 | 6 | 10 | 12 | 11 | 11 |
| 10-14% | 9 | 9 | 9 | 10 | 11 | 11 | 11 | 10 | 8 | 11 | 11 | 9 | 13 |
| 15% or more | 6 | 6 | 6 | 7 | 8 | 6 | 5 | 4 | 6 | 5 | 8 | 6 | 4 |
| DK how much up | 3 | 3 | 5 | 4 | 4 | 5 | 7 | 4 | 4 | 4 | 3 | 4 | 4 |
| DK,NA | 1 | 2 | 2 | 1 | 1 | 2 | 2 | 2 | 1 | 1 | 2 | 1 | 1 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| MEAN INCREASE | 4.7 | 4.6 | 5.0 | 5.0 | 5.2 | 5.2 | 5.0 | 4.6 | 5.1 | 5.1 | 5.9 | 5.3 | 4.8 |
| VARIANCE | 54 | 44 | 47 | 51 | 36 | 54 | 44 | 40 | 51 | 55 | 57 | 49 | 27 |
| CASES | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 | 690 | 680 |

The questions were: "During the next 12 months, do you think that prices in general will go up, or go down, or stay where they are now?" and "By about what percent do you expect prices to go up, on the average, during the next 12 months?"

CHART 24 - RECENT CHANGES
UNEMPLOYMENT OR INFLATION MORE SERIOUS

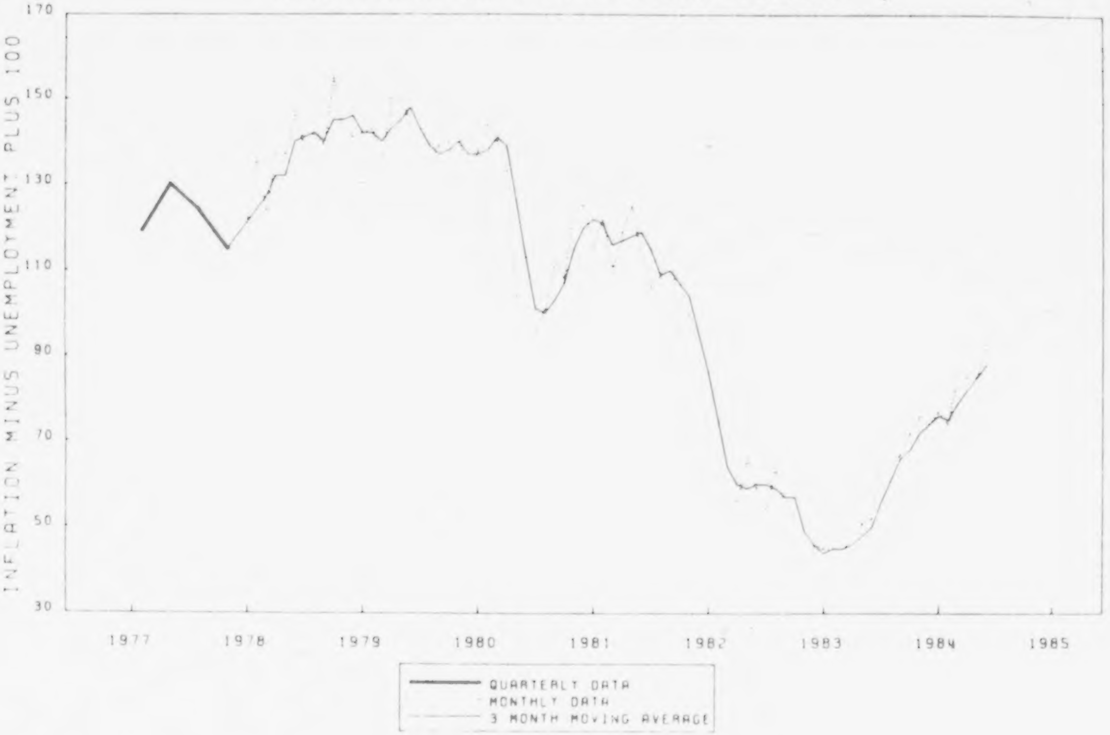
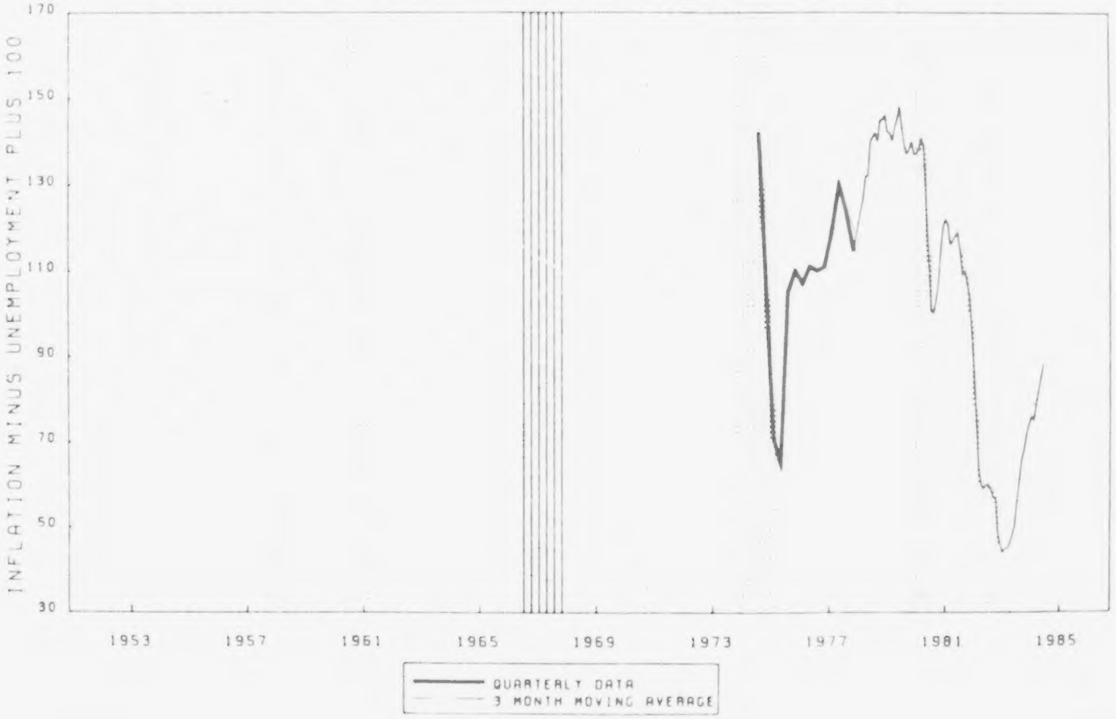


CHART 24 - HISTORICAL SERIES
UNEMPLOYMENT OR INFLATION MORE SERIOUS



## TABLE 24

## UNEMPLOYMENT OR INFLATION MORE SERIOUS ECONOMIC HARDSHIP

| | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| UNEMPLOYMENT | 70% | 63% | 65% | 62% | 61% | 57% | 59% | 58% | 59% | 52% | 53% | 54% | 51% |
| BOTH EQUALLY SERIOUS | 7 | 6 | 5 | 8 | 5 | 7 | 6 | 4 | 5 | 7 | 7 | 6 | 3 |
| INFLATION | 22 | 29 | 29 | 29 | 33 | 33 | 33 | 35 | 33 | 38 | 38 | 39 | 44 |
| DK,NA | 1 | 2 | 1 | 1 | 1 | 3 | 2 | 3 | 3 | 3 | 2 | 1 | 2 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 | 690 | 680 |

The question was: "Which of the two problems--unemployment or inflation--do you think will cause the more serious economic hardship for people during the next year or so?"

CHART 25 - RECENT CHANGES

OPINIONS ABOUT THE GOVERNMENT'S ECONOMIC POLICY

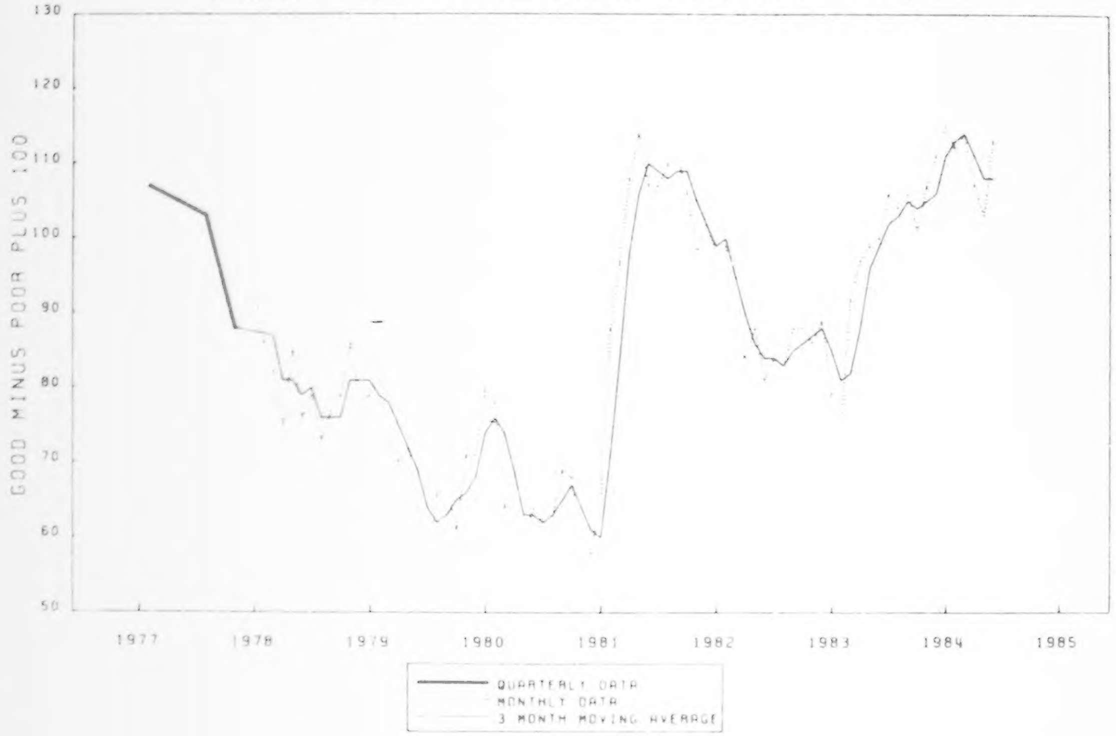
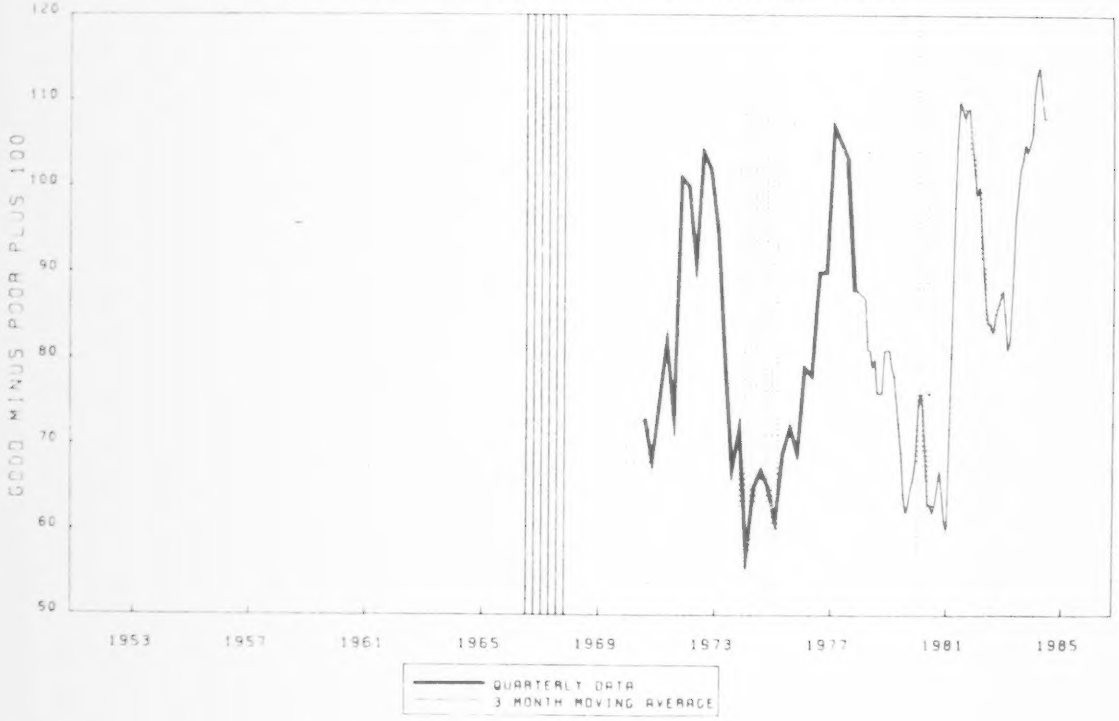


CHART 25 - HISTORICAL SERIES

OPINIONS ABOUT THE GOVERNMENT'S ECONOMIC POLICY



## TABLE 25

## OPINIONS ABOUT THE GOVERNMENT'S ECONOMIC POLICY

| | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| A GOOD JOB | 23% | 27% | 27% | 27% | 25% | 27% | 29% | 31% | 32% | 33% | 27% | 25% | 31% |
| ONLY FAIR | 52 | 51 | 48 | 50 | 50 | 49 | 51 | 52 | 45 | 47 | 50 | 52 | 49 |
| A POOR JOB | 23 | 21 | 23 | 21 | 24 | 20 | 18 | 16 | 20 | 19 | 20 | 22 | 18 |
| DK,NA | 2 | 1 | 2 | 2 | 1 | 4 | 2 | 1 | 3 | 1 | 3 | 1 | 2 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 | 690 | 680 |

The question was: "As to the economic policy of the government--I mean steps taken to fight inflation or unemployment--would you say the government is doing a good job, only fair, or a poor job?"

CHART 26 - RECENT CHANGES

BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS

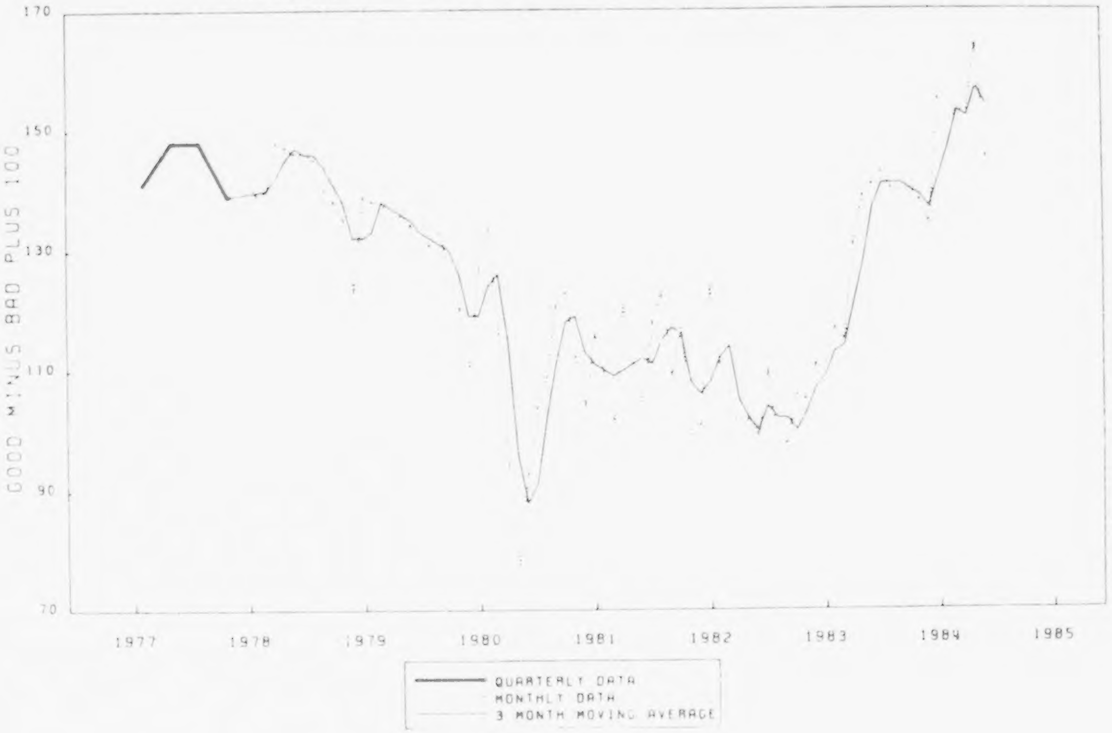


CHART 26 - HISTORICAL SERIES

BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS

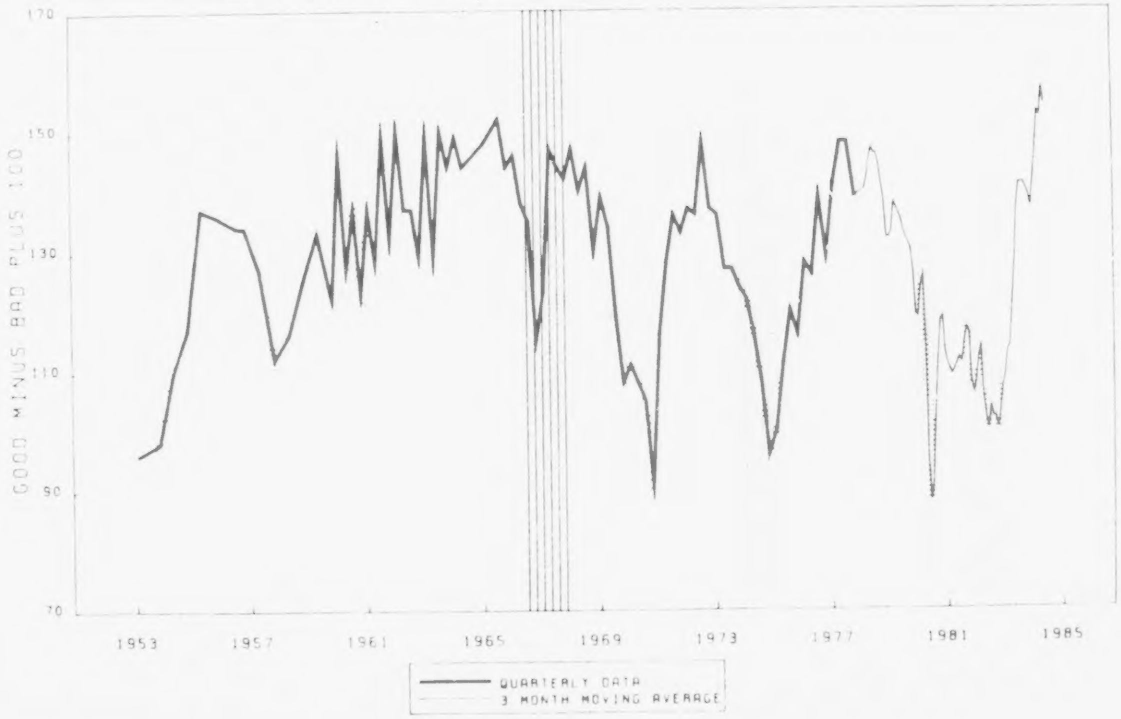


TABLE 26

BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS

| | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| GOOD TIME TO BUY | 66% | 67% | 64% | 66% | 65% | 64% | 61% | 73% | 70% | 72% | 72% | 77% | 67% |
| UNCERTAIN, DEPENDS | 9 | 9 | 12 | 8 | 10 | 10 | 12 | 9 | 11 | 9 | 9 | 10 | 11 |
| BAD TIME TO BUY | 25 | 24 | 24 | 26 | 25 | 26 | 27 | 18 | 19 | 19 | 19 | 13 | 22 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 | 690 | 680 |

The question was: "About the big things people buy for their homes--such as furniture, a refrigerator, stove, television, and things like that. Generally speaking, do you think now is a good or a bad time for people to buy major household items?"

CHART 27A - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR DURABLES

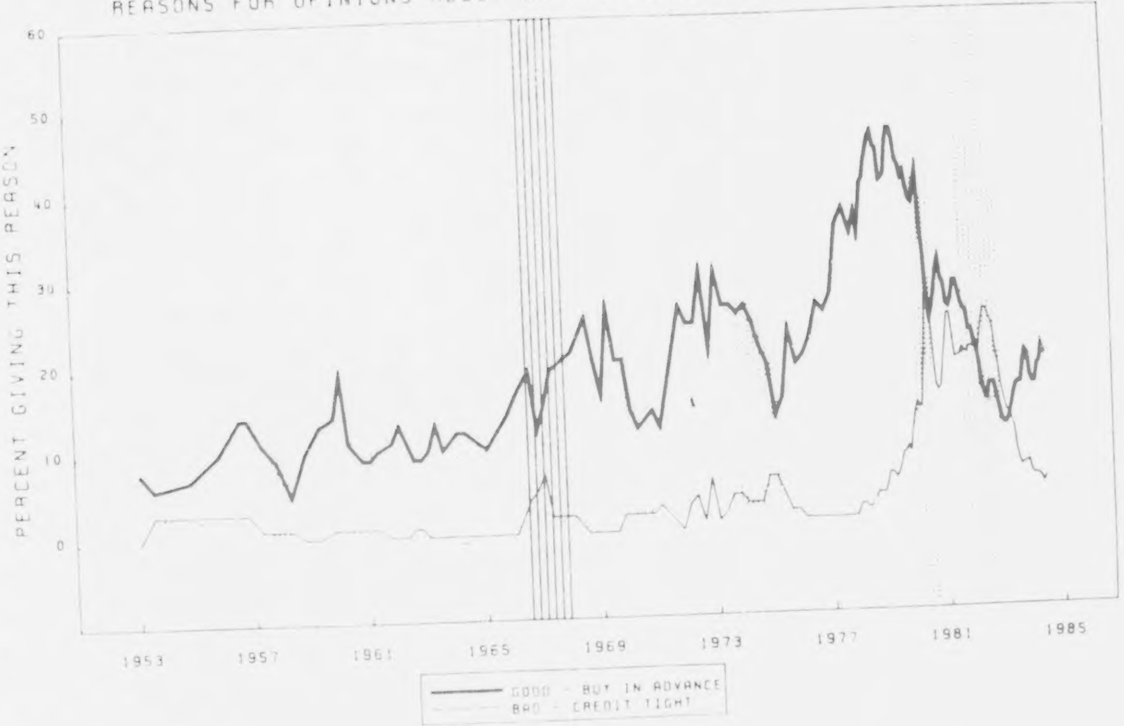
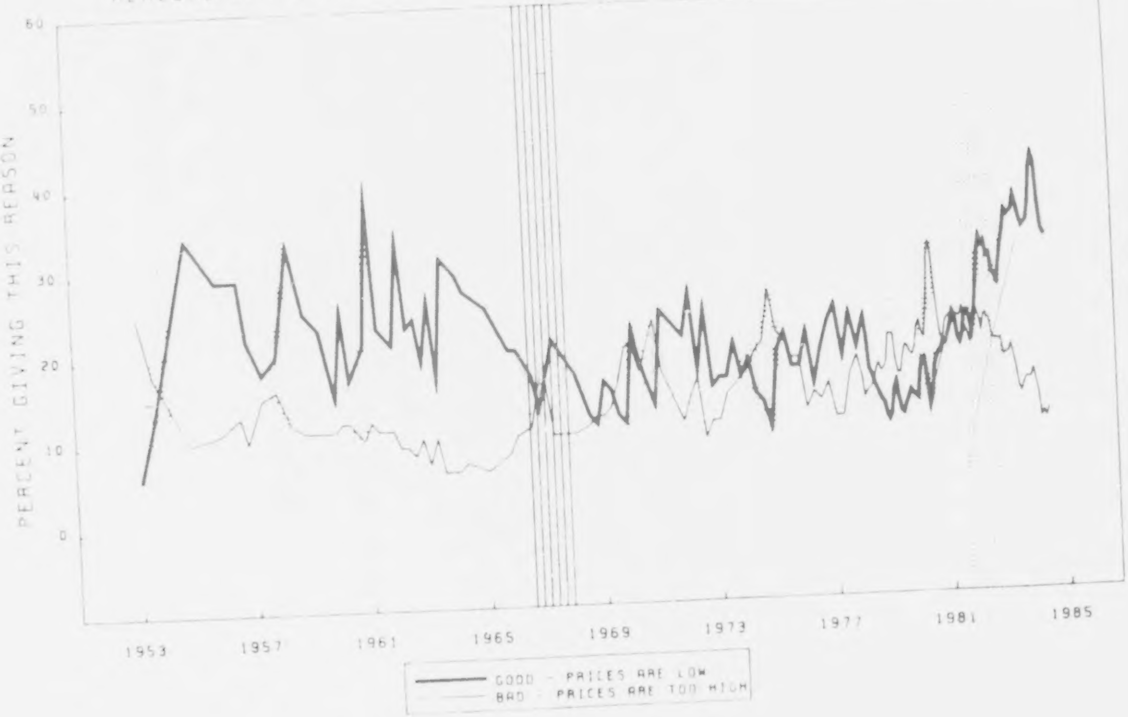


CHART 27B - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR DURABLES



## TABLE 27

## SELECTED REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS +

|  | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| GOOD TIME TO BUY: |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Prices are low; good buys available | 35% | 32% | 33% | 32% | 33% | 34% | 38% | 45% | 39% | 35% | 30% | 31% | 33% |
| Prices won't come down; are going higher | 15 | 16 | 17 | 21 | 21 | 16 | 13 | 19 | 16 | 19 | 20 | 22 | 16 |
| Interest rates low; credit is easy | 16 | 13 | 12 | 12 | 7 | 8 | 7 | 9 | 11 | 10 | 14 | 11 | 11 |
| BAD TIME TO BUY: |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Prices are high | 13 | 14 | 15 | 15 | 14 | 15 | 18 | 10 | 10 | 10 | 12 | 8 | 13 |
| Interest rates are high; credit is tight | 6 | 7 | 6 | 7 | 7 | 7 | 3 | 6 | 7 | 3 | 5 | 5 | 5 |
| Lack of purchasing power | 12 | 9 | 11 | 11 | 12 | 8 | 10 | 7 | 7 | 9 | 6 | 5 | 7 |

Responses to the query: "Why do you say so?" following the question on Table 26.

+ : May add to more than 100% due to multiple mentions.

CHART 28 - RECENT CHANGES
BUYING CONDITIONS FOR HOUSES

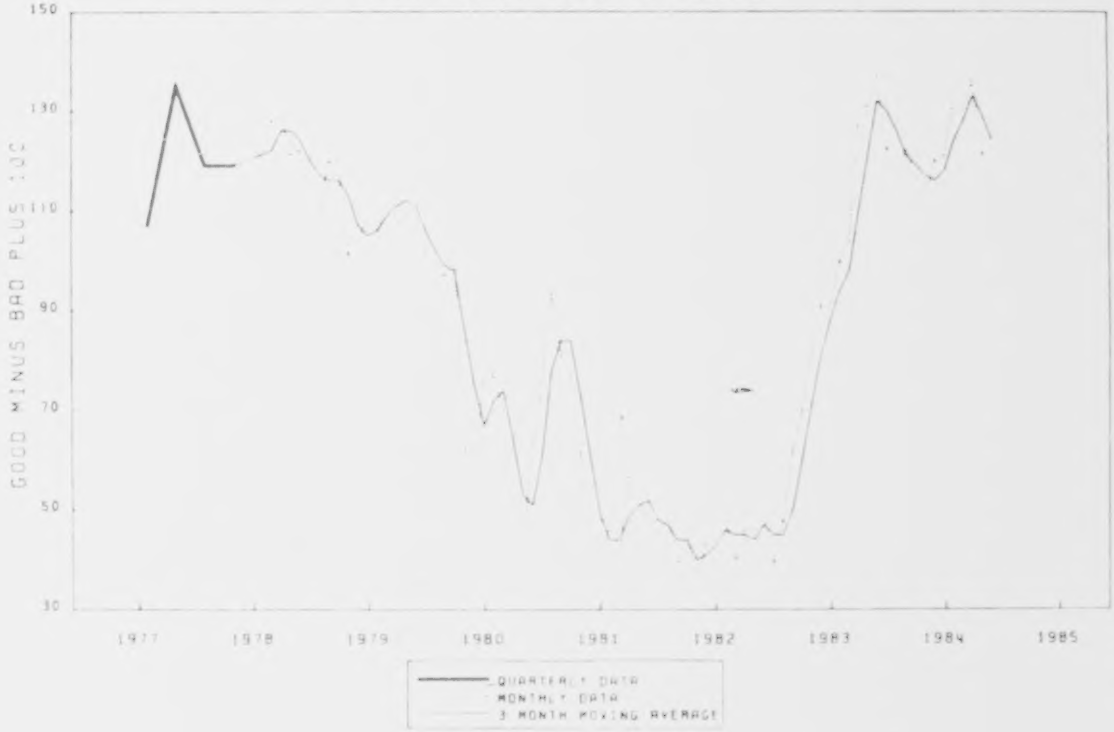


CHART 28 - HISTORICAL SERIES
BUYING CONDITIONS FOR HOUSES

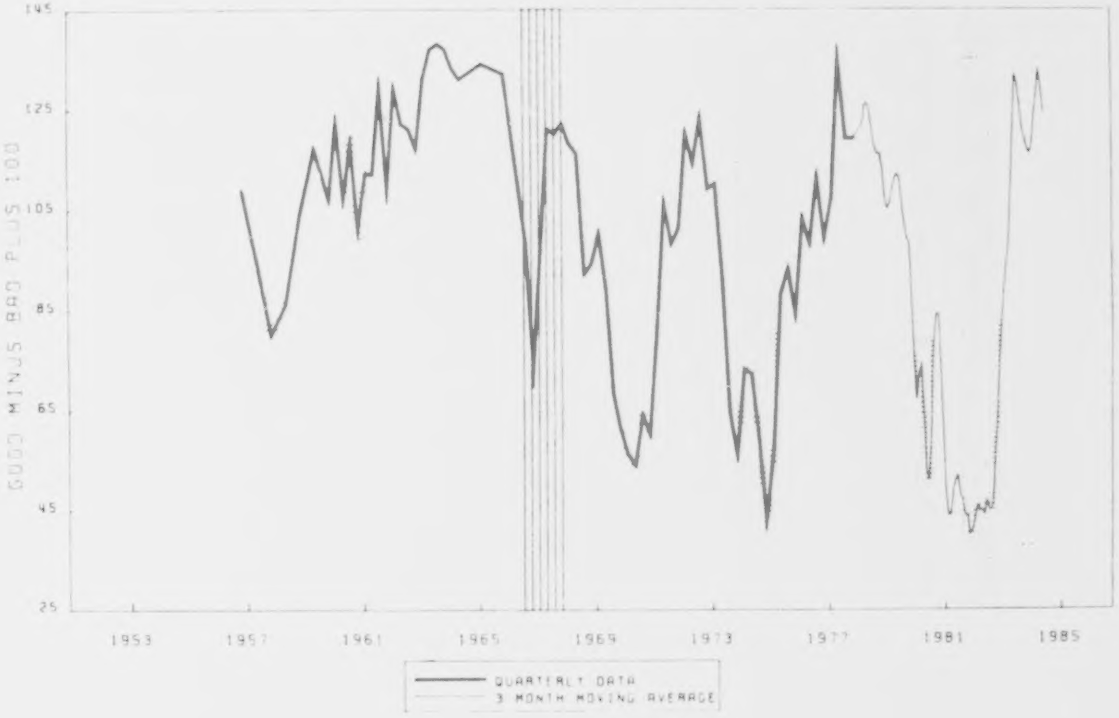


TABLE 28

BUYING CONDITIONS FOR HOUSES

| | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| GOOD TIME TO BUY | 66% | 59% | 57% | 59% | 55% | 53% | 57% | 59% | 63% | 62% | 66% | 58% | 55% |
| UNCERTAIN, DEPENDS | 5 | 4 | 4 | 4 | 6 | 6 | 6 | 3 | 6 | 6 | 4 | 5 | 5 |
| BAD TIME TO BUY | 29 | 37 | 39 | 37 | 39 | 41 | 37 | 38 | 31 | 32 | 30 | 37 | 40 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 | 690 | 680 |

The question was: "Generally speaking, do you think now is a good time or a bad time to buy a house?"

CHART 29A - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR HOUSES

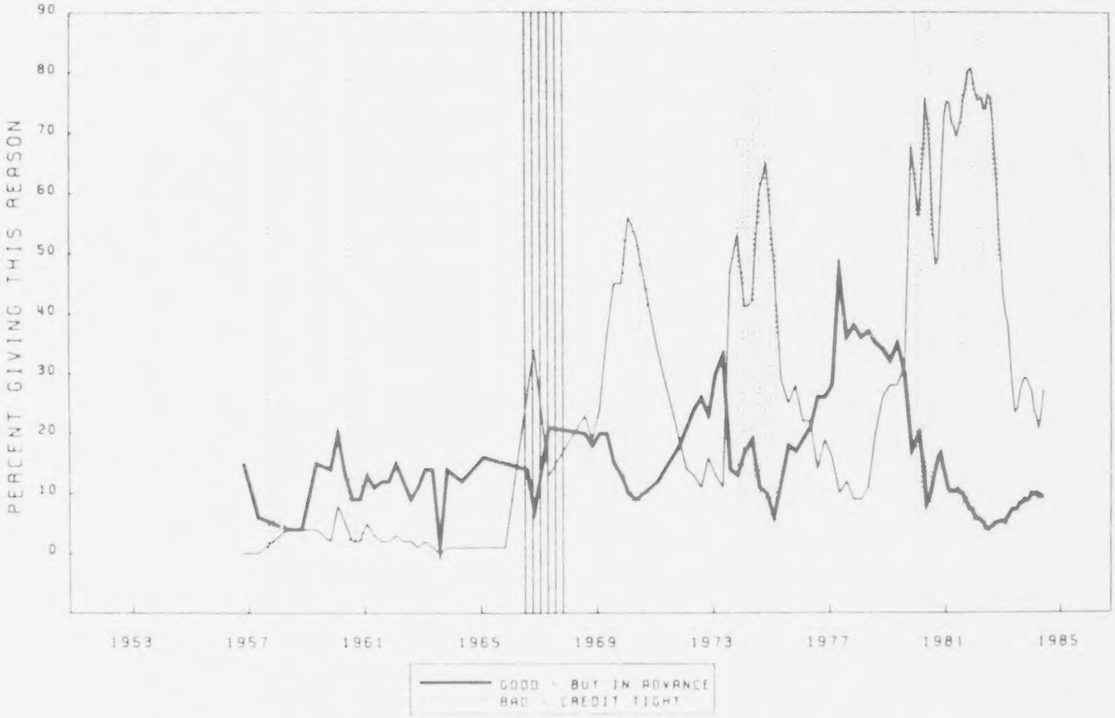
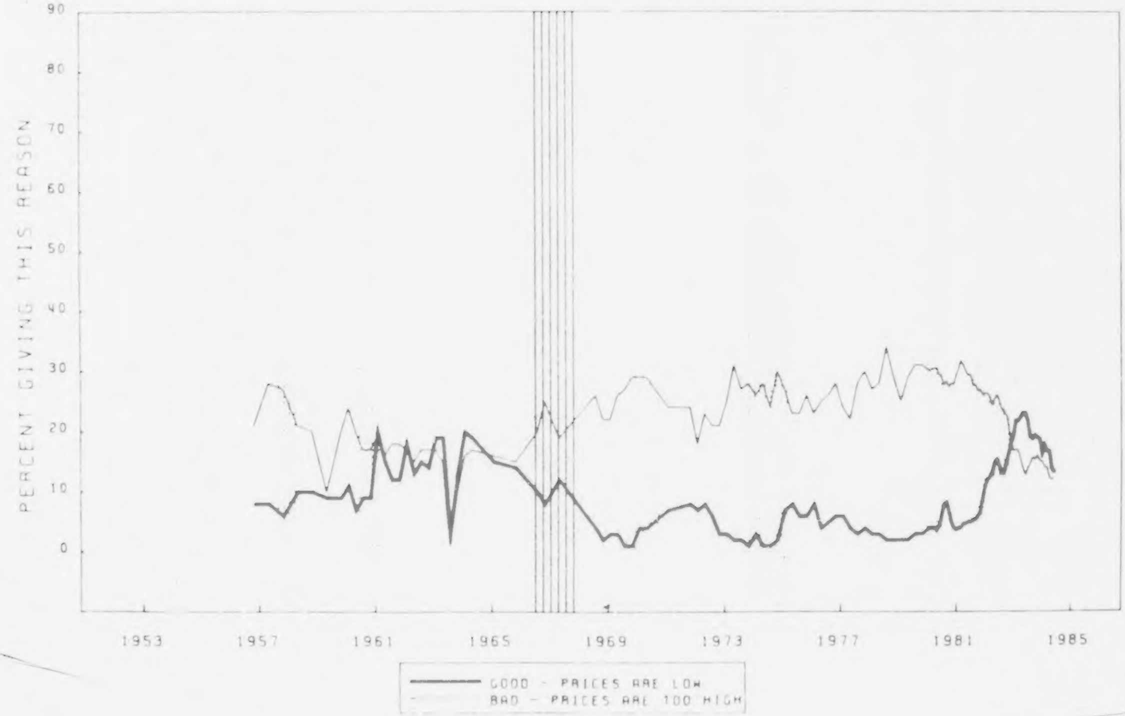


CHART 29B - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR HOUSES



## TABLE 29

## SELECTED REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR HOUSES +

| | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| GOOD TIME TO BUY: | | | | | | | | | | | | | |
| Prices are low; good buys available | 20% | 20% | 17% | 19% | 22% | 16% | 18% | 15% | 20% | 15% | 15% | 12% | 13% |
| Prices won't come down; are going higher | 8 | 7 | 10 | 8 | 9 | 9 | 9 | 12 | 8 | 10 | 10 | 9 | 9 |
| Interest rates low; credit is easy | 61 | 49 | 44 | 47 | 38 | 40 | 41 | 41 | 50 | 49 | 52 | 44 | 38 |
| Good investment | 7 | 5 | 8 | 6 | 8 | 5 | 6 | 8 | 6 | 8 | 6 | 5 | 8 |
| BAD TIME TO BUY: | | | | | | | | | | | | | |
| Prices are high | 13 | 17 | 14 | 16 | 16 | 16 | 13 | 16 | 13 | 13 | 11 | 12 | 14 |
| Interest rates are high; credit is tight | 23 | 26 | 31 | 28 | 29 | 30 | 25 | 26 | 20 | 22 | 20 | 29 | 33 |
| Lack of purchasing power | 11 | 12 | 14 | 14 | 15 | 16 | 13 | 12 | 10 | 11 | 10 | 12 | 10 |

Responses to the query: "Why do you say so?" following the question on Table 28.

+ : May add to more than 100% due to multiple mentions.

CHART 30 - RECENT CHANGES
BUYING CONDITIONS FOR CARS

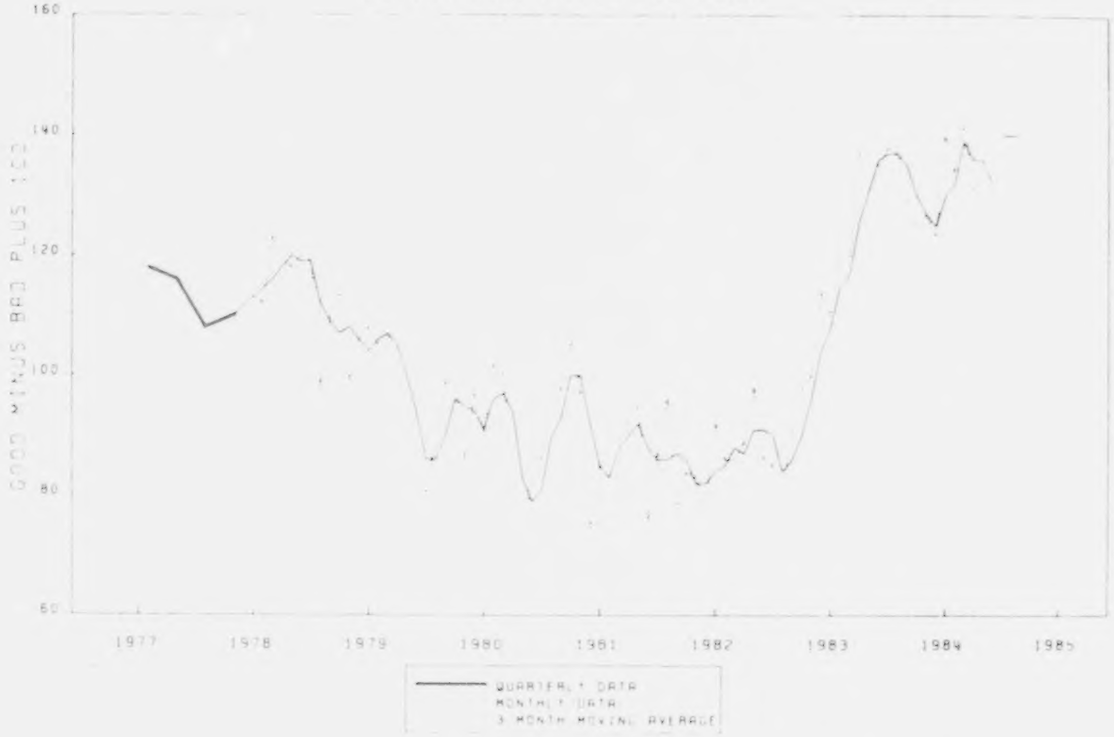


CHART 30 - HISTORICAL SERIES
BUYING CONDITIONS FOR CARS

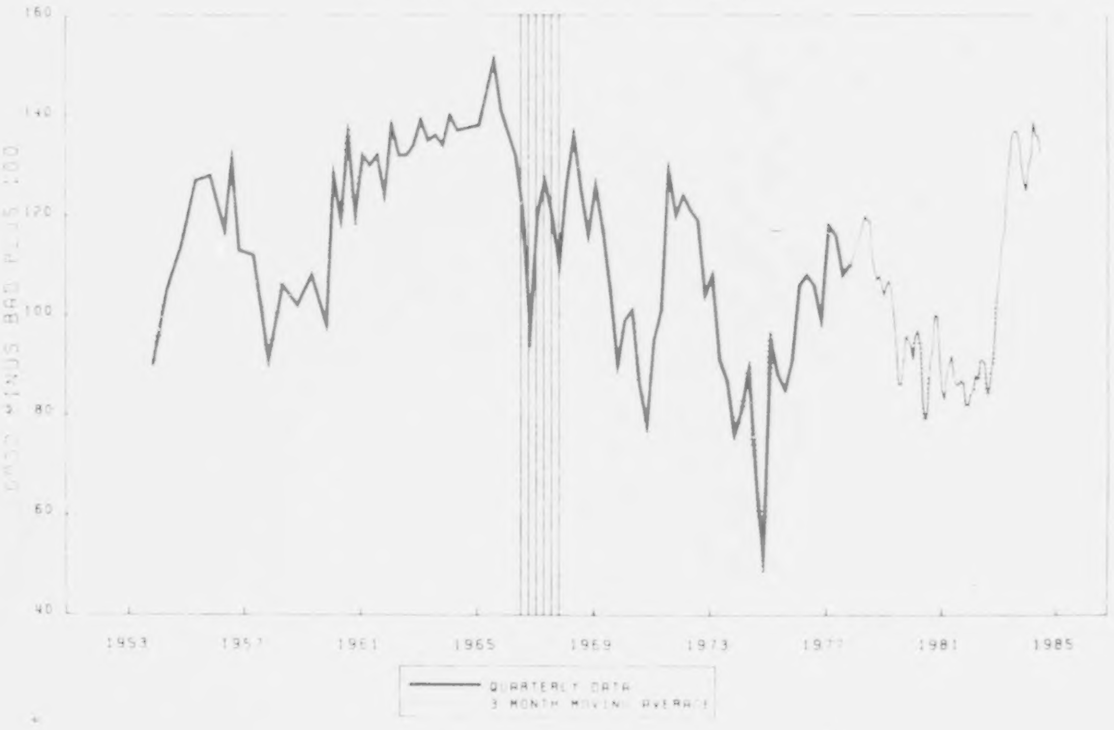


TABLE 30

BUYING CONDITIONS FOR CARS

| | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| GOOD TIME TO BUY | 63% | 65% | 65% | 61% | 59% | 59% | 56% | 64% | 62% | 66% | 60% | 63% | 60% |
| UNCERTAIN; DEPENDS | 9 | 8 | 7 | 7 | 7 | 9 | 11 | 12 | 10 | 10 | 11 | 9 | 10 |
| BAD TIME TO BUY | 28 | 27 | 28 | 32 | 34 | 32 | 33 | 24 | 28 | 24 | 29 | 28 | 30 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 | 690 | 680 |

The question was: "Speaking now of the automobile market--do you think the next 12 months or so will be a good time or a bad time to buy a car?"

CHART 31A HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR CARS

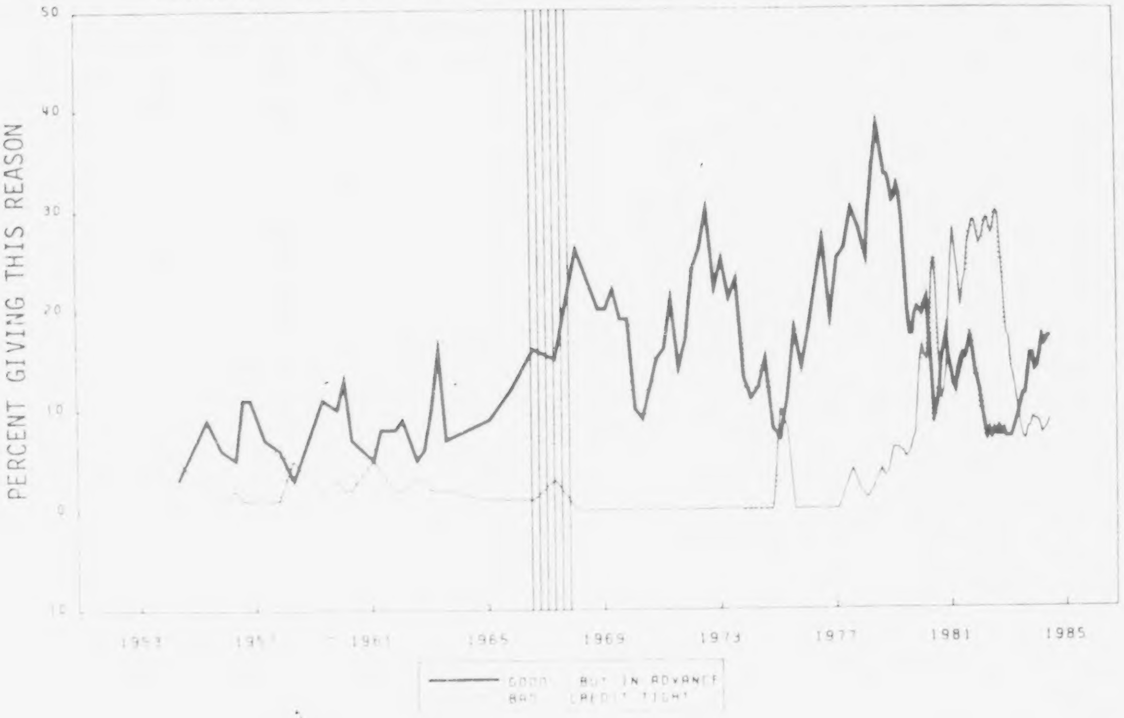
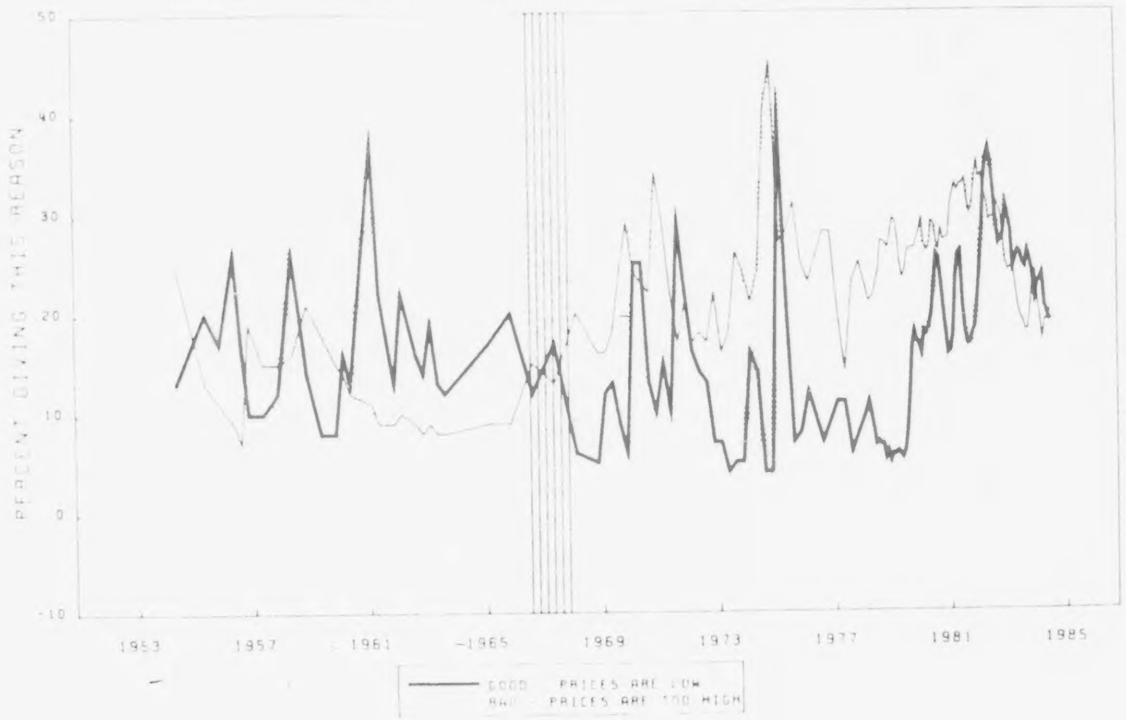


CHART 31A HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR CARS



## TABLE 31

## SELECTED REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR CARS +

| | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| GOOD TIME TO BUY: | | | | | | | | | | | | | |
| Prices are low; good buys available | 23% | 25% | 25% | 28% | 22% | 21% | 21% | 26% | 22% | 23% | 16% | 20% | 21% |
| Prices won't come down; are going higher | 11 | 11 | 12 | 17 | 17 | 12 | 12 | 18 | 16 | 17 | 16 | 17 | 18 |
| Interest rates low; credit is easy | 40 | 37 | 33 | 28 | 19 | 22 | 19 | 23 | 22 | 22 | 22 | 18 | 18 |
| New fuel efficient models | 1 | 2 | 1 | 2 | 2 | 2 | 2 | 1 | 2 | 1 | 1 | 3 | 1 |
| BAD TIME TO BUY: | | | | | | | | | | | | | |
| Prices are high | 20 | 18 | 16 | 20 | 25 | 23 | 24 | 16 | 18 | 17 | 22 | 18 | 20 |
| Interest rates are high; credit is tight | 6 | 8 | 6 | 10 | 8 | 9 | 9 | 8 | 8 | 6 | 9 | 9 | 8 |
| Lack of purchasing power | 7 | 7 | 9 | 6 | 8 | 6 | 5 | 3 | 5 | 5 | 4 | 5 | 4 |
| Price of gas; shortages | 1 | * | 1 | * | * | * | * | * | * | 1 | * | * | * |
| Poor selection; quality | 6 | 5 | 4 | 4 | 6 | 6 | 5 | 5 | 4 | 4 | 6 | 2 | 2 |

Responses to the query: "Why do you say so?" following the question on Table 30.

+ : May add to more than 100% due to multiple mentions.

* : Less than half of one percent.

CHART 32 - RECENT CHANGES
PLANS TO PURCHASE AN AUTOMOBILE DURING THE NEXT 12 MONTHS

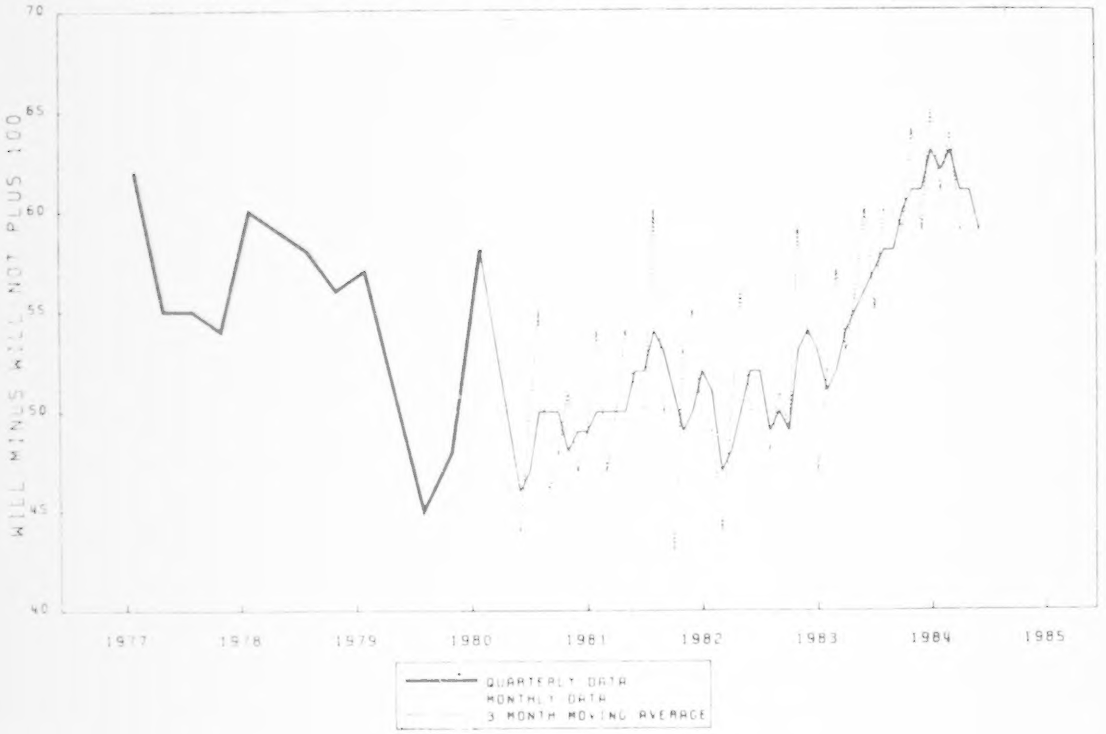
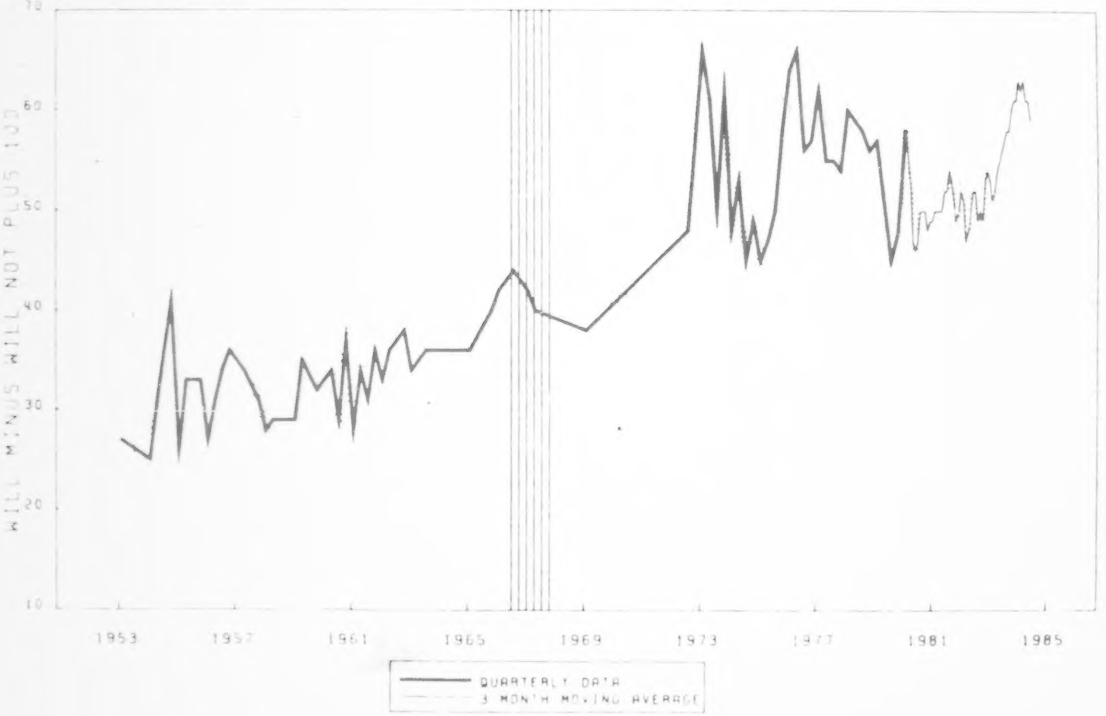


CHART 32 - HISTORICAL SERIES
PLANS TO PURCHASE AN AUTOMOBILE DURING THE NEXT 12 MONTHS



## TABLE 32

## PLANS TO PURCHASE AN AUTOMOBILE DURING THE NEXT 12 MONTHS

| | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| PROBABLY WILL BUY | 22% | 18% | 21% | 21% | 21% | 22% | 20% | 23% | 21% | 22% | 21% | 19% | 20% |
| CHANCES ARE EVEN | 7 | 6 | 7 | 9 | 8 | 9 | 8 | 7 | 9 | 12 | 6 | 12 | 9 |
| PROBABLY WILL NOT BUY | 62 | 63 | 61 | 61 | 62 | 58 | 61 | 58 | 60 | 58 | 62 | 60 | 61 |
| DK,NA | 9 | 13 | 11 | 9 | 9 | 11 | 11 | 12 | 10 | 8 | 11 | 9 | 10 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 714 | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 | 690 | 680 |

The question was: "What do you think are the chances that you (or anyone else in your family living there) will buy or lease a car during the next 12 months--would you say you probably will, probably will not, or are the chances about even, or what?"

## TABLE 33

## CURRENT VEHICLE PURCHASE INTENTIONS

| | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| PROPORTION WITH CURRENT PURCHASE INTENTIONS: | 29% | 24% | 28% | 30% | 29% | 31% | 28% | 30% | 30% | 34% | 27% | 31% | 29% |
| PURCHASE TYPE: | | | | | | | | | | | | | |
| Buy new | 13 | 11 | 15 | 13 | 17 | 17 | 16 | 15 | 14 | 16 | 13 | 15 | 16 |
| Buy used | 13 | 11 | 11 | 14 | 9 | 12 | 9 | 13 | 13 | 17 | 12 | 14 | 11 |
| Lease | 2 | 1 | 1 | 1 | 2 | 1 | 2 | 1 | 2 | 1 | 1 | 2 | 1 |
| DK,NA | 1 | 1 | 1 | 2 | 1 | 1 | 1 | 1 | 1 | * | 1 | * | 1 |
| PURCHASE TIMING: | | | | | | | | | | | | | |
| Next 3 months | 1 | 4 | 5 | 2 | 6 | 4 | 2 | 5 | 3 | 2 | 7 | 3 | 2 |
| Next 4-6 months | 10 | 6 | 4 | 7 | 8 | 5 | 4 | 10 | 7 | 10 | 6 | 9 | 8 |
| Next 7-9 months | 8 | 3 | 5 | 5 | 8 | 9 | 10 | 7 | 8 | 8 | 6 | 7 | 9 |
| 10 months or more | 4 | 6 | 7 | 9 | 4 | 8 | 8 | 4 | 5 | 8 | 4 | 6 | 4 |
| DK,NA | 6 | 5 | 7 | 7 | 3 | 5 | 4 | 4 | 7 | 6 | 4 | 6 | 6 |

If response was "PROBABLY WILL BUY" or "CHANCES ARE EVEN" in Table 32, then the questions were: "If you do buy or lease a car, would it be a new car, or a used car?" , "Would you buy or lease?" and "When do you think you might buy or lease a car?"

* : Less than half of one percent.

## TABLE 34

## FUTURE VEHICLE PURCHASE INTENTIONS

| | June 1983 | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| PROPORTION WITH FUTURE PURCHASE INTENTIONS: | 62% | 63% | 61% | 61% | 62% | 58% | 61% | 58% | 60% | 58% | 62% | 60% | 61% |
| PURCHASE TYPE: | | | | | | | | | | | | | |
| Would buy new | 37 | 37 | 33 | 33 | 33 | 36 | 36 | 36 | 32 | 32 | 34 | 33 | 36 |
| Would buy used | 24 | 24 | 27 | 27 | 29 | 21 | 24 | 21 | 26 | 25 | 27 | 26 | 24 |
| DK,NA | 1 | 2 | 1 | 1 | * | 1 | 1 | 1 | 2 | 1 | 1 | 1 | 1 |
| PURCHASE TIMING: | | | | | | | | | | | | | |
| Less than 2 years | 6 | 8 | 6 | 8 | 6 | 5 | 7 | 5 | 8 | 7 | 10 | 5 | 7 |
| 2 years | 20 | 23 | 21 | 22 | 20 | 19 | 23 | 19 | 20 | 19 | 20 | 22 | 21 |
| 3 years | 10 | 9 | 9 | 10 | 11 | 10 | 9 | 10 | 9 | 9 | 9 | 9 | 8 |
| 4 years or more | 21 | 18 | 18 | 15 | 19 | 18 | 17 | 17 | 17 | 16 | 17 | 18 | 17 |
| Indefinite | 1 | 2 | 2 | 2 | * | 1 | 1 | 2 | 3 | 3 | 1 | 2 | 2 |
| DK,NA | 4 | 3 | 5 | 4 | 6 | 5 | 4 | 5 | 3 | 4 | 5 | 4 | 6 |

If response was "PROBABLY WILL NOT BUY" in Table 32, then the questions were: "If you were to buy a car, would it be a new car or a used car? and "How long do you think it may be before will buy or lease a car?"

* : Less than half of one percent.

# EXPLANATORY CHARTS

CHART 1 - RECENT CHANGES
THE INDEX OF CONSUMER SENTIMENT

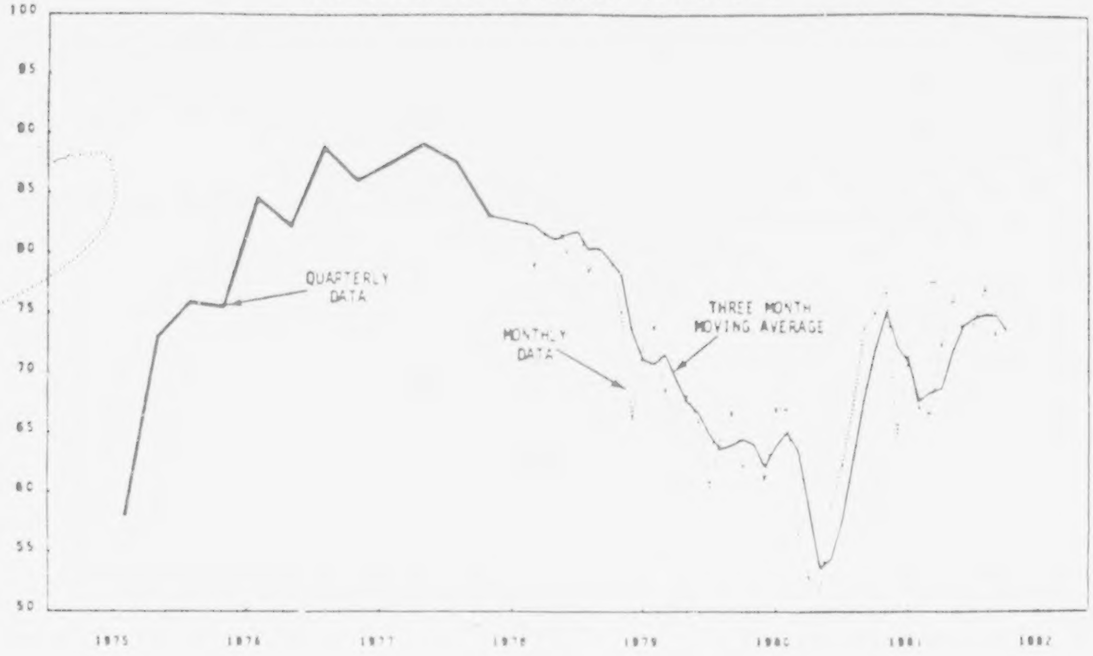
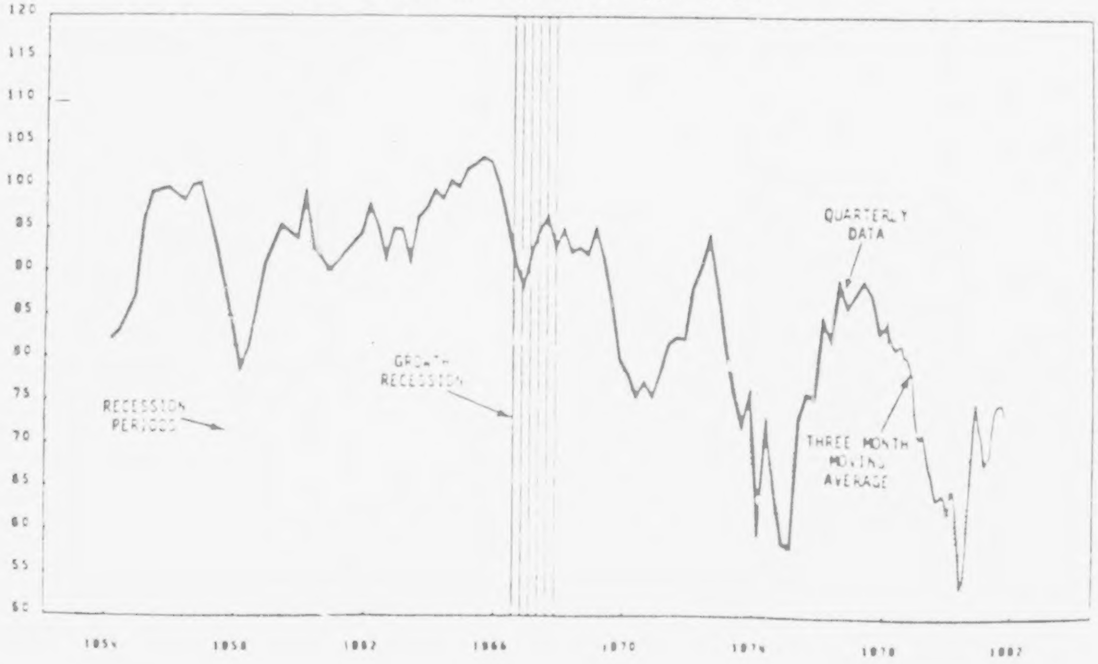


CHART 1 - HISTORICAL SERIES
THE INDEX OF CONSUMER SENTIMENT



## DESCRIPTION OF CHART LINES

QUARTERLY DATA: Data collected by surveys conducted at three-month intervals before 1978.

MONTHLY DATA: Data collected by surveys conducted each month since January of 1978.

THREE-MONTH MOVING AVERAGE: Each point plotted represents the average of the three monthly observations ending at the date plotted.

## TIME SCALE LABELS

Each tic mark on the time scale represents the month of January for the indicated year.

## NATIONAL BUREAU OF ECONOMIC RESEARCH, REFERENCE DATES FOR RECESSIONS

DATES:
November 1948 - October 1949
July 1953 - May 1954
August 1957 - April 1958
April 1960 - February 1961
June 1966 - November 1967*
December 1969 - November 1970
November 1973 - March 1975
January 1980 - July 1980
July 1981 - November 1982

Notes:

RECESSION PERIOD: Reduction in the national output of goods and services, generally lasting at least two quarters.

*GROWTH RECESSION: Retardation in the rate of growth of output and employment (usually followed by a recession and always the initial stage of a recession).

## APPROXIMATE SAMPLING ERRORS[a] OF SURVEY FINDINGS

(In percentages by size of sample or subgroup)

| Reported Percentages | Number of Interviews | | |
|---|---|---|---|
| | 700[b] | 1,400[c] | 2,100[d] |
| 50 | 4.2 | 3.2 | 2.8 |
| 30 or 70 | 3.8 | 2.9 | 2.5 |
| 20 or 80 | 3.4 | 2.6 | 2.2 |
| 10 or 90 | 2.5 | 1.9 | 1.6 |
| 5 or 95 | 1.8 | 1.4 | 1.2 |

---

[a] The figures in this table represent two standard errors. Hence, for most items the chances are 95 in 100 that the value being estimated lies within a range equal to the reported percentages, plus or minus the sampling error.

[b] Average size of monthly surveys.

[c] Average size of two monthly surveys.

[d] Average size of three monthly surveys (one quarter).

7/13/84 U7475-2 - A

SURVEY RESEARCH CENTER
UNIVERSITY OF MICHIGAN

July 1, 1984

JUNE 1984 MONTHLY REPORT

# Surveys of Consumer Attitudes

Richard T. Curtin, *Director*

## CONSUMER CONFIDENCE WITHSTANDS INTEREST RATE GREMLINS

** In the June 1984 survey, the Index of Consumer Sentiment was 95.5, between the 98.1 recorded one month earlier and the 92.2 recorded one year earlier. The Index has declined just 5.5 points from the cyclical peak of 101.0 recorded in March 1984, and each monthly reading recorded thus far in 1984 has been more favorable than in any prior year during the last decade.

** Among families with incomes of $25,000 or more, the Index of Consumer Sentiment was 104.5 in the June 1984 survey, down from 107.1 one month earlier, but above the 102.5 recorded one year earlier.

** The financial progress made by American families during the past year has been the most favorable recorded during the past decade. Among all families in the June survey, 47 percent reported that their financial situation had improved, compared with just 21 percent that reported a worsened situation--the widest difference recorded since 1972.

** Two-thirds of all American families thought that business conditions had improved during the past year, but less than half of that proportion expected the same pace of improvement during the year ahead. Despite the expected slowdown in the pace of economic growth, good times financially in the country as a whole were expected to persist into the year ahead by 60 percent of all families in the June 1984 survey.

** The slower pace of economic growth during the year ahead is expected to be accompanied by rates of inflation and unemployment that average about the same as now, but with significantly higher interest rates. Among all families in the June 1984 survey, nearly two-thirds expected interest rate increases, twice the frequency recorded at the start of the year.

** Attitudes toward buying conditions remained at very favorable levels in the June 1984 survey, despite rising interest rate concerns. Although the proportion of consumers holding favorable buying attitudes declined somewhat in the June survey, the majority of consumers still favorably evaluate buying conditions for houses, cars, and large household durables.

* * *

The small declines from record levels do not detract from the otherwise very favorable level of consumer sentiment. The renewed and sustained strength in personal finances, coupled with favorable attitudes toward buying conditions, points toward continued high sales levels through 1984 and into early 1985. To be sure, consumer buying decisions have been and will continue to be very responsive to interest rate trends. Sales of houses, cars, and large household durables are likely to weaken along with interest rate increases, while non-interest sensitive purchases continue to post gains.

Monitoring Economic Change Program
Institute for Social Research • P.O. Box 1248 • Ann Arbor, Michigan 48106-1248 • (313) 763-5224

## Personal Financial Progress: Best in Decade

Nearly half of all families in the June 1984 survey reported that their personal financial situation had improved during the past year, mainly due to increases in employment and incomes. Among all families, 47 percent reported that their financial situation had improved, up from 38 percent one year earlier. In comparison, 21 percent of all families in the June survey reported that their personal financial situation had worsened, down from 28 percent one year earlier. On balance, the June 1984 figures represent the most favorable evaluation of personal financial progress made by American families since 1972.

When asked to explain how their financial situation had changed during the past year, 39 percent of all families reported income increases in June, up from 35 percent one month earlier, and equal to the cyclical peak first recorded three months earlier. Income declines were reported by 14 percent of all families in the June 1984 survey, unchanged from ~~one~~ month earlier, but well below the high of 26 percent recorded in early 1983.

Although the financial situation of families has improved considerably during the past year, the expectations consumers have held for future financial gains first reached cyclical peak levels one year ago, and since then have remained at those favorable levels. Among all families in the June 1984 survey, 35 percent expected their financial situation to improve during the year ahead, just below the 37 percent recorded one year earlier. Only 11 percent of all families expected their financial situation to worsen in June, just above the 9 percent recorded one year earlier. The proportion of families that expected income increases rose slightly to 62 percent from 58 percent one year earlier, with most of the improvement concentrated in expectations of income increases in the range of 1-4%.

## Slower Economic Growth Expected

Improvements in business conditions in the country as a whole were reported by 67 percent of all families in the June 1984 survey, just below the all-time peak of 75 percent recorded in January 1984. Even after this small decline, assessments of current business conditions during the first half of 1984 were still more favorable than at any other time during the past 30 years.

Although evaluations of current business conditions have remained at or near record favorable levels, expectations for future improvement reached cyclical peak levels one year ago, and have since then declined significantly. In the June 1984 survey, 30 percent of all families expected business conditions to improve during the year ahead, down from the peak of 55 percent in May 1983. The expectation that the economy would worsen during the year ahead was not very common in the June 1984 survey, rising to 15 percent from 7 percent one year earlier. Rather than renewed declines, the majority of consumers in June expected the economy would remain at its current improved level during the year ahead (53 percent). Despite the expected slowdown in the pace of economic growth, 60 percent of all families reported in mid-1984 that this would mean the continuation of good times financially in the economy as a whole during the upcoming year, just below the 63 percent recorded in mid-1983.

## Rising Interest Rates Dominate Concerns

When asked about the most recent changes in business conditions--those which occurred during the past several months--the mix of economic news heard and recalled by consumers by mid-1984 became less favorable, but on balance still remained positive. Respondents less frequently recalled hearing news of favorable developments in the June 1984 survey than one year earlier (50, down from 83 percent), and more frequently referred to unfavorable developments (40, up from 31 percent). During the past year, the largest shifts in consumers' awareness of recent economic developments involved fewer references to favorable changes in credit conditions (3, down from 17 percent), as well as more frequent references to higher interest rates and tight credit conditions (12, up from 1 percent).

Expected trends in each inflation, unemployment, and interest rates reached their most favorable cyclical levels one year ago. Since then only small reversals in inflation and unemployment expectations have been recorded. Interest rate expectations, in contrast, have become very unfavorable, and represent the major factor behind the expected decline in the pace of economic growth. Among all families in the June 1984 survey, 64 percent expected interest rates to increase during the year ahead, largely unchanged from one and two months earlier, but twice the 32 percent recorded in January 1984. Declines in interest rates during the year ahead were expected by just 10 percent of all families in June, down from 22 percent at the start of 1984.

Consumers expected prices to increase at an annual rate of 4.8% in the June 1984 survey, down from 5.3% and 5.9% in the two preceding months. Despite this decline, surveys conducted thus far in 1984 have shown only a modest increase in expected inflation rates over those recorded in early 1983, when the cyclical low of 3.3% was recorded in March.

The majority of consumers in June 1984 expected the rate of unemployment to remain largely unchanged at its current reduced level during the year ahead (52 percent). Further decreases as well as renewed increases in the rate of unemployment were expected by nearly equal numbers of families in June (24 versus 23 percent). In contrast, one year ago the proportion that expected declines in unemployment outnumbered those that increased by a margin of more than two to one (37 versus 15 percent).

## Buying Attitudes Remain Favorable Despite Interest Rate Concerns

Favorable attitudes toward buying conditions for houses, cars, and large household durables each declined by a modest amount in the June 1984 survey, largely due to concerns with rising interest rates. Even with these small declines, buying attitudes remained at very favorable levels in the June 1984 survey, as they have throughout the past year.

Attitudes toward buying conditions for houses first reached cyclical peak levels one year ago, in the June 1983 survey. At that time, 66 percent of all families favorably rated buying conditions for houses, largely due to the availability of lower mortgage interest rates. By June 1984, the proportion holding favorable house-buying attitudes fell to 55 percent. When asked to explain their views, families referred much less frequently to the availability of lower interest rates in June 1984 than one year earlier (38 percent, down from 61 percent), and more frequently referred to high mortgage rates and generally unfavorable credit conditions (33, up from 23 percent).

Favorable perceptions of credit conditions have usually been associated with the renewed availability of credit and with declines in interest rates. Recently, however, consumers have viewed current credit conditions favorably not only because interest rates had declined, but also because interest rates were expected to increase in the future, thus making current rates more attractive (see Table A). Favorable perceptions of mortgage credit conditions have shifted during the past year from the current availability of low mortgage rates (falling to 21 percent in June 1984, from 49 percent one year earlier) to buying-in-advance of rising mortgage rates. During the past few months, however, references to buying-in-advance of rising mortgage rates fell from a high of 23 percent in April to 17 percent in June 1984, indicating quickly weakening motivations towards advance buying as interest rates increase.

Buying conditions for cars were viewed favorably by 60 percent of all families in the June 1984 survey, just below 63 percent recorded both one month and one year earlier. This relatively small decline has been due to higher interest rates on vehicle loans. The proportion of families that mention the availability of currently low interest rates fell from 38 to 12 percent during the past year, while the proportion of families holding favorable views toward buying-in-advance of rising interest rates increased from 2 to just 6 percent.

Favorable attitudes toward buying conditions for large household durables were held by 67 percent of all families in the June 1984 survey, down from the all-time record peak of 77 percent recorded one month earlier. Despite this one month decline, attitudes toward buying conditions for household durables in June were as favorable as one year earlier, and more favorable than during the prior four years. The major reason given by consumers for these favorable buying attitudes involves the availability of price discounts on large household durables, mentioned by 33 percent in June 1984, just below the 35 percent recorded one year earlier.

* * *

The June 1984 survey was conducted between June 1 and June 30, 1984, and included 680 completed interviews.

# TABLE A

## REFERENCES TO INTEREST RATES IN SUPPORT OF FAVORABLE BUYING CONDITIONS

| | Durables | | Houses | | Vehicles | |
|---|---|---|---|---|---|---|
| Survey Date | Low Rates | BiA Rates | Low Rates | BiA Rates | Low Rates | BiA Rates |
| 8001 | 1 | 2 | NA | NA | 1 | 1 |
| 8002 | 1 | 2 | 2 | 7 | 1 | 2 |
| 8003 | 1 | 4 | NA | NA | 1 | 2 |
| 8004 | * | 3 | * | 3 | 3 | 1 |
| 8005 | * | 2 | 3 | 3 | * | 1 |
| 8006 | 2 | 1 | 14 | 2 | 2 | 1 |
| 8007 | 4 | 1 | 17 | 6 | 2 | 1 |
| 8008 | 3 | 2 | 19 | 9 | 3 | 1 |
| 8009 | 1 | 2 | 11 | 11 | 2 | 2 |
| 8010 | 1 | 3 | 6 | 10 | 1 | 2 |
| 8011 | * | 2 | 2 | 8 | 1 | 2 |
| 8012 | 1 | 2 | 1 | 5 | 2 | 2 |
| 8101 | * | 2 | 1 | 3 | 4 | 1 |
| 8102 | 1 | 2 | 2 | 5 | 2 | 1 |
| 8103 | 1 | * | 1 | 4 | 1 | 1 |
| 8104 | * | 2 | 3 | 6 | 2 | 1 |
| 8105 | 1 | 2 | 4 | 3 | 3 | 1 |
| 8106 | * | 1 | 1 | 4 | 2 | 1 |
| 8107 | 1 | 1 | 2 | 4 | 2 | 1 |
| 8108 | 2 | 1 | 3 | 5 | 4 | 1 |
| 8109 | * | 1 | 3 | 3 | 4 | 2 |
| 8110 | * | 1 | 1 | 3 | 4 | * |
| 8111 | 1 | 1 | 2 | 2 | 5 | * |
| 8112 | 1 | 1 | 4 | 2 | 4 | 1 |
| 8201 | 2 | 1 | 5 | 3 | 4 | 2 |
| 8202 | 1 | 1 | 4 | 3 | 3 | * |
| 8203 | * | 1 | 3 | 2 | 3 | * |
| 8204 | 1 | * | 4 | 2 | 7 | * |
| 8205 | 2 | 1 | 3 | 3 | 10 | 1 |
| 8206 | 1 | 1 | 5 | 2 | 6 | 1 |
| 8207 | 1 | 1 | 2 | 2 | 4 | 1 |
| 8208 | 1 | 1 | 3 | 4 | 5 | 1 |
| 8209 | 3 | 1 | 16 | 4 | 9 | 1 |
| 8210 | 4 | 1 | 19 | 4 | 10 | 1 |
| 8211 | 5 | * | 25 | 5 | 19 | 1 |
| 8212 | 6 | 2 | 30 | 5 | 26 | 1 |

TABLE A (continued)

| Survey Date | Durables Low Rates | Durables BiA Rates | Houses Low Rates | Houses BiA Rates | Vehicles Low Rates | Vehicles BiA Rates |
|---|---|---|---|---|---|---|
| 8301 | 7 | * | 33 | 4 | 27 | 2 |
| 8302 | 7 | 1 | 35 | 5 | 34 | 1 |
| 8303 | 7 | 1 | 38 | 6 | 33 | 1 |
| 8304 | 12 | 2 | 46 | 8 | 38 | 2 |
| 8305 | 12 | 1 | 49 | 6 | 38 | 2 |
| 8306 | 13 | 3 | 49 | 12 | 38 | 2 |
| 8307 | 14 | 2 | 40 | 9 | 34 | 3 |
| 8308 | 11 | 1 | 33 | 11 | 30 | 3 |
| 8309 | 9 | 3 | 35 | 12 | 25 | 3 |
| 8310 | 6 | 1 | 29 | 9 | 17 | 2 |
| 8311 | 6 | 2 | 29 | 11 | 20 | 2 |
| 8312 | 6 | 1 | 30 | 11 | 16 | 3 |
| 8401 | 8 | 1 | 33 | 8 | 20 | 3 |
| 8402 | 9 | 2 | 38 | 12 | 19 | 3 |
| 8403 | 8 | 2 | 36 | 13 | 19 | 3 |
| 8404 | 8 | 6 | 29 | 23 | 15 | 7 |
| 8405 | 7 | 4 | 24 | 20 | 14 | 4 |
| 8406 | 7 | 4 | 21 | 17 | 12 | 6 |

NOTE: The proportions given above provide greater detail than is reported in the monthly tables (see Tables 27, 29 and 31). The monthly tables report the total proportion of respondents that made favorable references to credit conditions. The figures above divide this total into those respondents that referred to the current availability of low interest rates, and those that referred to buying-in-advance of rising interest rates.

8/21/84 U7475-2 A

# SURVEYS OF CONSUMER ATTITUDES

SURVEY RESEARCH CENTER
UNIVERSITY OF MICHIGAN

Institute for Social Research

# TABLES AND CHARTS

## JULY 1984

The July 1984 survey is the 190th in a series of surveys of consumer attitudes conducted by the Survey Research Center at The University of Michigan. Initiated in 1946, these periodic surveys provide regular assessments of consumer attitudes and expectations, and are used to evaluate economic trends and prospects. The surveys are designed to explore why changes in consumer attitudes and expectations occur, and how these changes influence consumer spending and saving decisions.

Two charts highlight recent changes and historical patterns for most questions. Recent change charts include quarterly data before 1978 and monthly data starting in January of 1978. Historical series charts show quarterly data before 1978 and 3 month moving averages since then. See the explanatory charts at the end of this book for a detailed description.

All surveys are subject to sampling error because not all members of the population are interviewed. Most results on the total sample for this monthly survey will differ by no more than 4 percentage points in either direction from what would have been obtained by using the same methods on the entire population. See the back of this book for sampling error information.

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| 9 | PAST CHANGE IN REAL FAMILY INCOME |
| 10 | EXPECTED CHANGE IN REAL FAMILY INCOME |
| 11 | TREND IN FAMILY INCOME AND PRICE COMPARISON |
| 12 | NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS |
| 13 | SELECTED ITEMS OF NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS |
| 14 | CURRENT BUSINESS CONDITIONS COMPARED TO A YEAR AGO |
| 15 | EXPECTED CHANGE IN BUSINESS CONDITIONS IN A YEAR |
| 16 | REASONS FOR OPINIONS ABOUT CHANGES IN BUSINESS CONDITIONS IN A YEAR |
| 17 | TREND IN PAST AND EXPECTED CHANGES IN BUSINESS CONDITIONS |
| 18 | BUSINESS CONDITIONS EXPECTED DURING THE NEXT 12 MONTHS |
| 19 | BUSINESS CONDITIONS EXPECTED DURING THE NEXT FIVE YEARS |
| 20 | EXPECTED CHANGE IN UNEMPLOYMENT |
| 21 | EXPECTED CHANGE IN INTEREST RATES |
| 22 | CHANGE IN PRICES DURING THE LAST 12 MONTHS |
| 23 | EXPECTED CHANGE IN PRICES DURING THE NEXT 12 MONTHS |
| 24 | UNEMPLOYMENT OR INFLATION MORE SERIOUS ECONOMIC HARDSHIP |
| 25 | OPINIONS ABOUT THE GOVERNMENT'S ECONOMIC POLICY |
| 26 | BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS |
| 27 | SELECTED REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS |
| 28 | BUYING CONDITIONS FOR HOUSES |
| 29 | SELECTED REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR HOUSES |
| 30 | BUYING CONDITIONS FOR CARS |
| 31 | SELECTED REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR CARS |
| 32 | PLANS TO PURCHASE AN AUTOMOBILE DURING THE NEXT 12 MONTHS |
| 33 | CURRENT VEHICLE PURCHASE INTENTIONS |
| 34 | FUTURE VEHICLE PURCHASE INTENTIONS |

CHART 1 - RECENT CHANGES
THE INDEX OF CONSUMER SENTIMENT

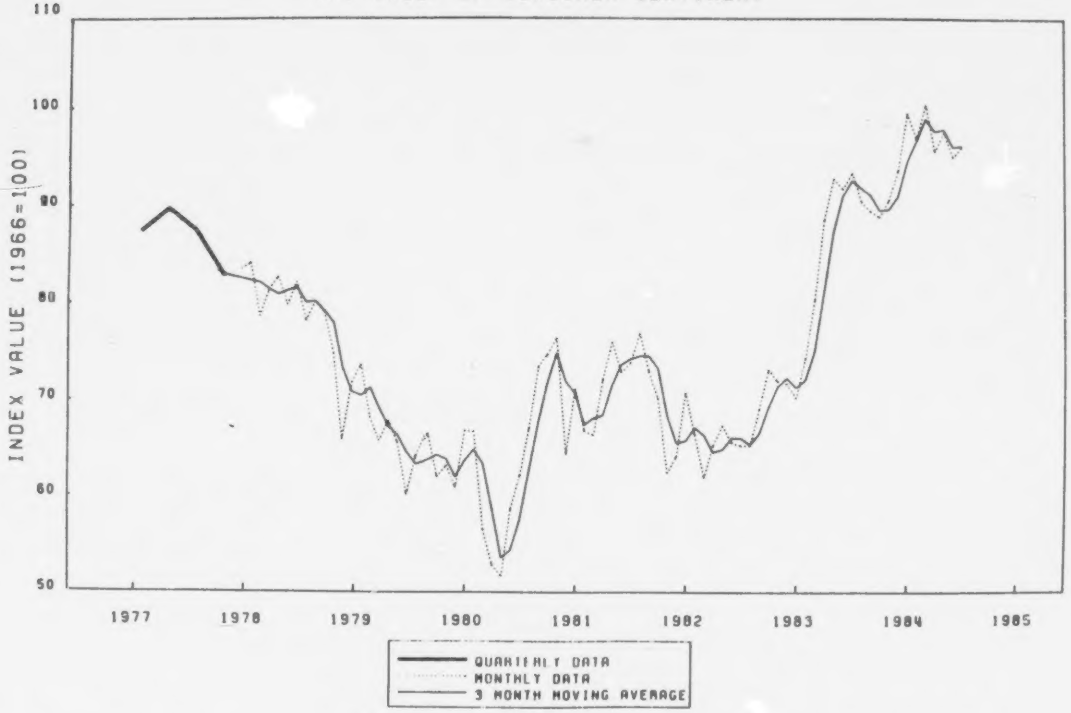
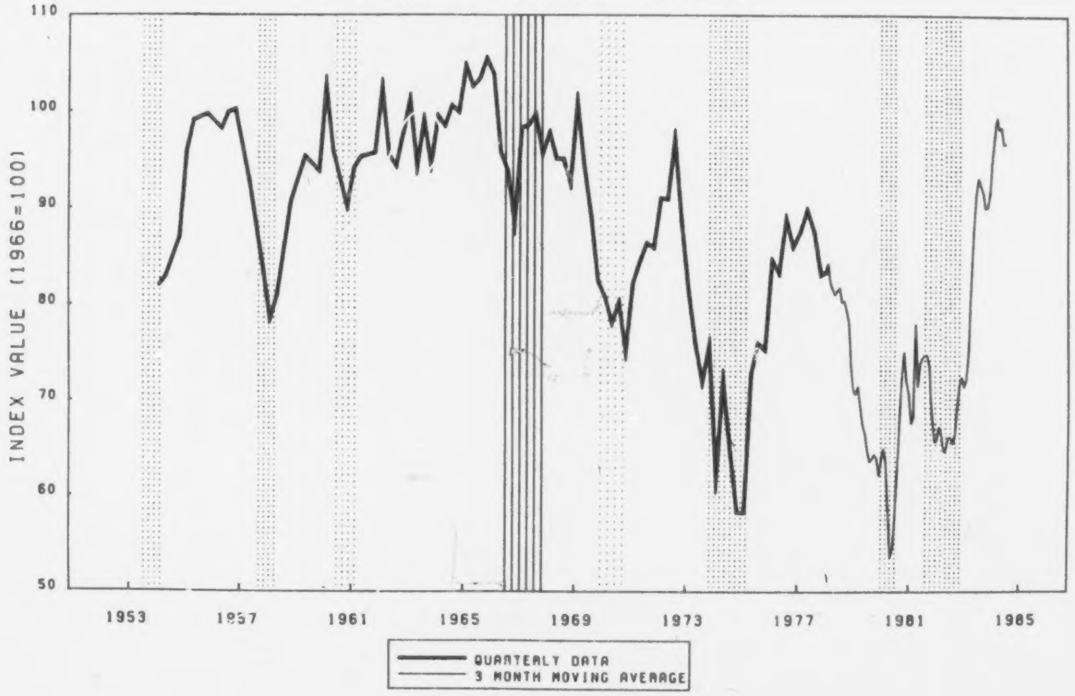


CHART 1 - HISTORICAL SERIES
THE INDEX OF CONSUMER SENTIMENT



## TABLE 1

## THE INDEX OF CONSUMER SENTIMENT

| DATE OF SURVEY | | All families | Families with incomes over $20,000 | Families with incomes over $25,000 |
|---|---|---|---|---|
| July | 1981 | 74.1 | 80.8 | 82.1 |
| August | 1981 | 77.2 | 82.7 | 85.0 |
| September | 1981 | 73.1 | 75.2 | 73.3 |
| October | 1981 | 70.3 | 74.5 | 77.9 |
| November | 1981 | 62.5 | 67.2 | 66.3 |
| December | 1981 | 64.3 | 71.0 | 71.1 |
| January | 1982 | 71.0 | 77.9 | 77.8 |
| February | 1982 | 66.5 | 71.5 | 72.8 |
| March | 1982 | 62.0 | 67.0 | 67.9 |
| April | 1982 | 65.5 | 71.5 | 73.2 |
| May | 1982 | 67.5 | 72.7 | 74.8 |
| June | 1982 | 65.7 | 71.4 | 72.9 |
| July | 1982 | 65.4 | 68.9 | 69.2 |
| August | 1982 | 65.4 | 71.0 | 73.6 |
| September | 1982 | 69.3 | 78.4 | 81.1 |
| October | 1982 | 73.4 | 77.5 | 80.9 |
| November | 1982 | 72.1 | 79.3 | 81.1 |
| December | 1982 | 71.9 | 78.0 | 80.5 |
| January | 1983 | 70.4 | 78.2 | 78.8 |
| February | 1983 | 74.6 | 79.9 | 81.3 |
| March | 1983 | 80.8 | 88.4 | 88.9 |
| April | 1983 | 89.1 | 97.1 | 99.0 |
| May | 1983 | 93.3 | 99.6 | 101.0 |
| June | 1983 | 92.2 | 101.2 | 102.5 |
| July | 1983 | 93.9 | 104.4 | 106.5 |
| August | 1983 | 90.9 | 101.2 | 103.5 |
| September | 1983 | 89.9 | 99.0 | 102.3 |
| October | 1983 | 89.3 | 99.5 | 101.9 |
| November | 1983 | 91.1 | 97.2 | 98.8 |
| December | 1983 | 94.2 | 101.7 | 104.5 |
| January | 1984 | 100.1 | 112.0 | 114.2 |
| February | 1984 | 97.4 | 109.6 | 111.2 |
| March | 1984 | 101.0 | 110.9 | 114.2 |
| April | 1984 | 96.1 | 103.9 | 105.5 |
| May | 1984 | 98.1 | 105.6 | 107.1 |
| June | 1984 | 95.5 | 104.4 | 104.5 |
| July | 1984 | 96.6 | 103.2 | 102.8 |

CHART 2A - HISTORICAL SERIES
INDEX OF CONSUMER SENTIMENT WITHIN REGION SUBGROUPS

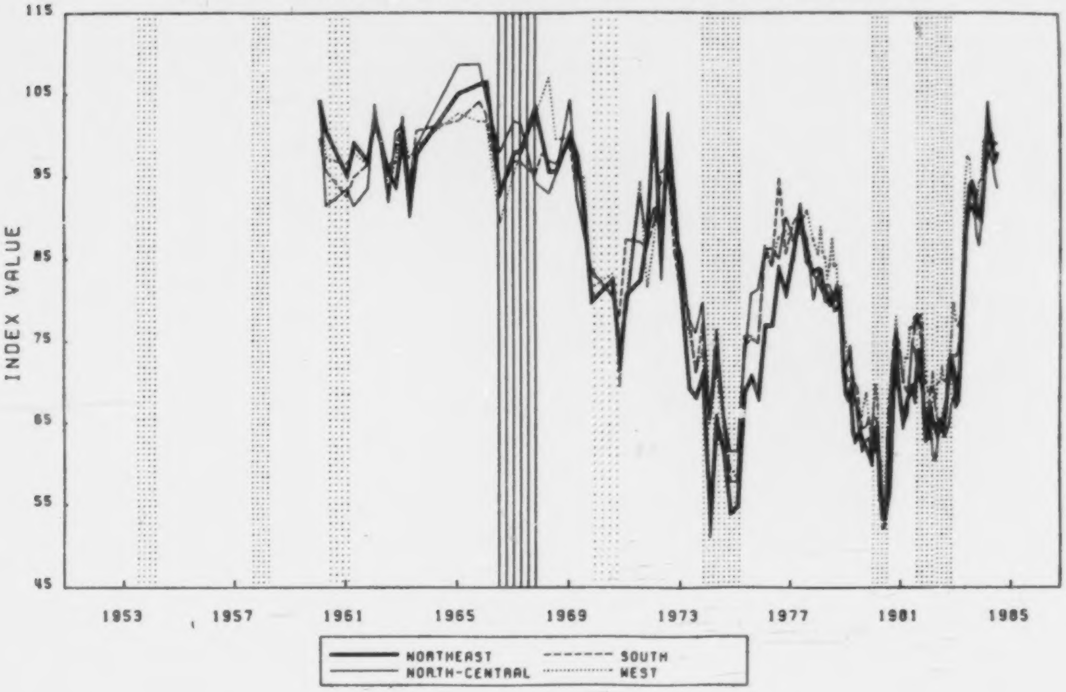
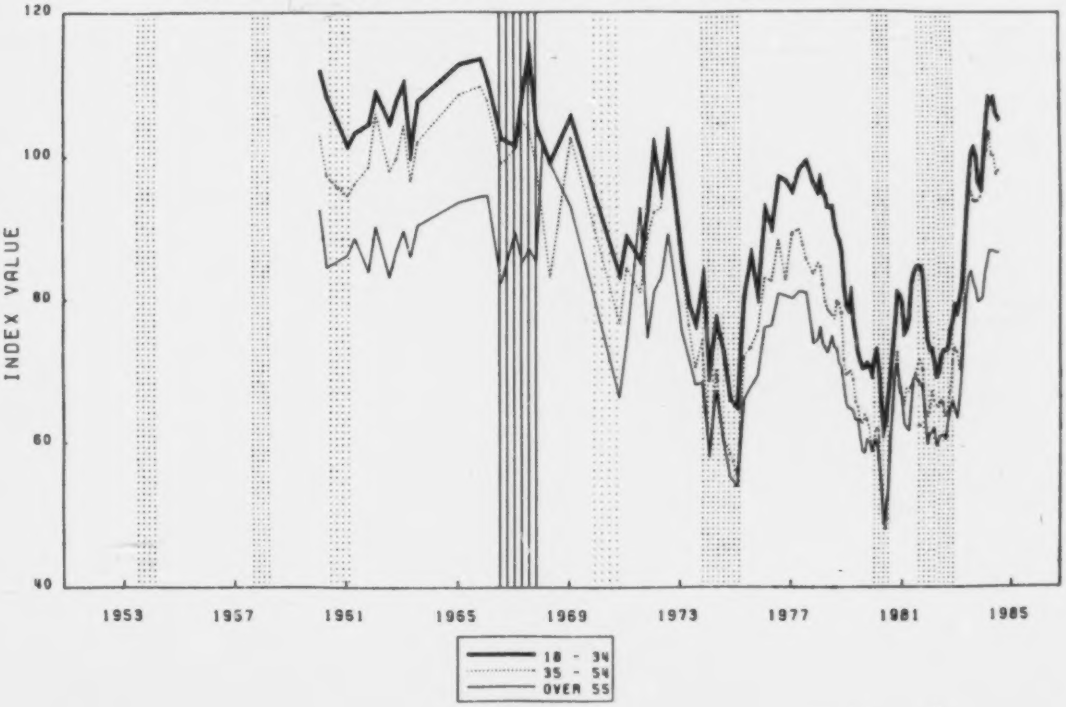


CHART 2B - HISTORICAL SERIES
INDEX OF CONSUMER SENTIMENT WITHIN AGE SUBGROUPS



## TABLE 2

## INDEX OF CONSUMER SENTIMENT WITHIN REGION AND AGE SUBGROUPS

| | | CENSUS REGION | | | | AGE OF RESPONDENT | | |
|---|---|---|---|---|---|---|---|---|
| DATE OF SURVEY | | North East | North Central | South | West | 18-34 | 35-54 | 55+ |
| July | 1981 | 68.9 | 72.2 | 76.5 | 78.1 | 84.2 | 70.6 | 67.6 |
| August | 1981 | 77.0 | 70.1 | 83.2 | 79.2 | 87.8 | 75.0 | 67.9 |
| September | 1981 | 75.1 | 69.9 | 72.4 | 76.6 | 81.4 | 68.8 | 69.2 |
| October | 1981 | 67.9 | 68.2 | 68.9 | 79.0 | 80.7 | 65.9 | 64.8 |
| November | 1981 | 55.8 | 64.7 | 61.1 | 68.8 | 71.3 | 59.6 | 57.7 |
| December | 1981 | 65.0 | 65.3 | 64.4 | 61.6 | 70.9 | 65.3 | 56.7 |
| January | 1982 | 68.8 | 67.3 | 72.0 | 76.2 | 76.6 | 67.4 | 68.5 |
| February | 1982 | 65.9 | 60.6 | 71.8 | 68.8 | 71.5 | 68.3 | 59.0 |
| March | 1982 | 60.5 | 55.8 | 64.7 | 68.2 | 65.5 | 61.4 | 58.8 |
| April | 1982 | 67.2 | 64.6 | 65.0 | 65.8 | 70.6 | 65.5 | 60.4 |
| May | 1982 | 62.4 | 66.5 | 66.6 | 75.7 | 72.7 | 67.6 | 62.0 |
| June | 1982 | 65.4 | 65.0 | 64.9 | 68.6 | 72.4 | 64.4 | 60.3 |
| July | 1982 | 65.1 | 64.0 | 63.5 | 71.1 | 73.4 | 63.3 | 60.6 |
| August | 1982 | 68.1 | 60.6 | 64.0 | 70.6 | 72.6 | 62.9 | 60.2 |
| September | 1982 | 70.3 | 67.2 | 71.1 | 68.8 | 73.0 | 66.7 | 68.0 |
| October | 1982 | 77.8 | 66.2 | 74.1 | 79.3 | 81.2 | 72.1 | 65.5 |
| November | 1982 | 70.6 | 67.9 | 73.2 | 79.3 | 76.6 | 75.7 | 63.8 |
| December | 1982 | 66.1 | 70.0 | 72.5 | 80.4 | 78.9 | 71.7 | 64.2 |
| January | 1983 | 64.9 | 70.5 | 73.6 | 72.8 | 78.8 | 70.0 | 62.0 |
| February | 1983 | 72.1 | 72.3 | 75.8 | 77.2 | 82.1 | 68.3 | 72.4 |
| March | 1983 | 82.9 | 73.7 | 82.7 | 84.4 | 84.9 | 81.5 | 75.5 |
| April | 1983 | 89.1 | 88.0 | 87.2 | 95.6 | 95.8 | 90.5 | 80.5 |
| May | 1983 | 88.3 | 90.7 | 93.3 | 102.7 | 97.2 | 97.1 | 84.9 |
| June | 1983 | 95.1 | 88.7 | 92.5 | 94.1 | 97.8 | 94.4 | 83.9 |
| July | 1983 | 98.3 | 93.8 | 89.9 | 94.3 | 106.0 | 93.6 | 83.0 |
| August | 1983 | 89.6 | 92.0 | 91.3 | 89.6 | 99.2 | 92.9 | 80.0 |
| September | 1983 | 92.6 | 87.8 | 89.3 | 90.8 | 94.8 | 94.5 | 80.9 |
| October | 1983 | 89.9 | 83.7 | 91.5 | 93.5 | 94.2 | 93.8 | 77.8 |
| November | 1983 | 87.7 | 88.3 | 91.5 | 98.5 | 97.2 | 94.6 | 80.7 |
| December | 1983 | 91.4 | 96.2 | 95.2 | 92.2 | 102.3 | 97.5 | 81.8 |
| January | 1984 | 100.7 | 96.8 | 97.5 | 107.5 | 107.9 | 106.0 | 87.4 |
| February | 1984 | 102.3 | 98.4 | 93.5 | 97.1 | 106.2 | 98.9 | 86.5 |
| March | 1984 | 104.8 | 98.5 | 102.1 | 97.5 | 109.9 | 105.2 | 86.6 |
| April | 1984 | 92.5 | 95.3 | 98.2 | 99.3 | 106.5 | 95.9 | 87.0 |
| May | 1984 | 98.8 | 96.3 | 96.5 | 103.9 | 107.5 | 98.8 | 86.6 |
| June | 1984 | 100.1 | 92.1 | 95.0 | 93.7 | 103.0 | 97.1 | 85.9 |
| July | 1984 | 94.3 | 92.5 | 100.5 | 99.3 | 104.9 | 98.2 | 87.1 |

CHART 3 - RECENT CHANGES
CURRENT AND EXPECTED COMPONENTS

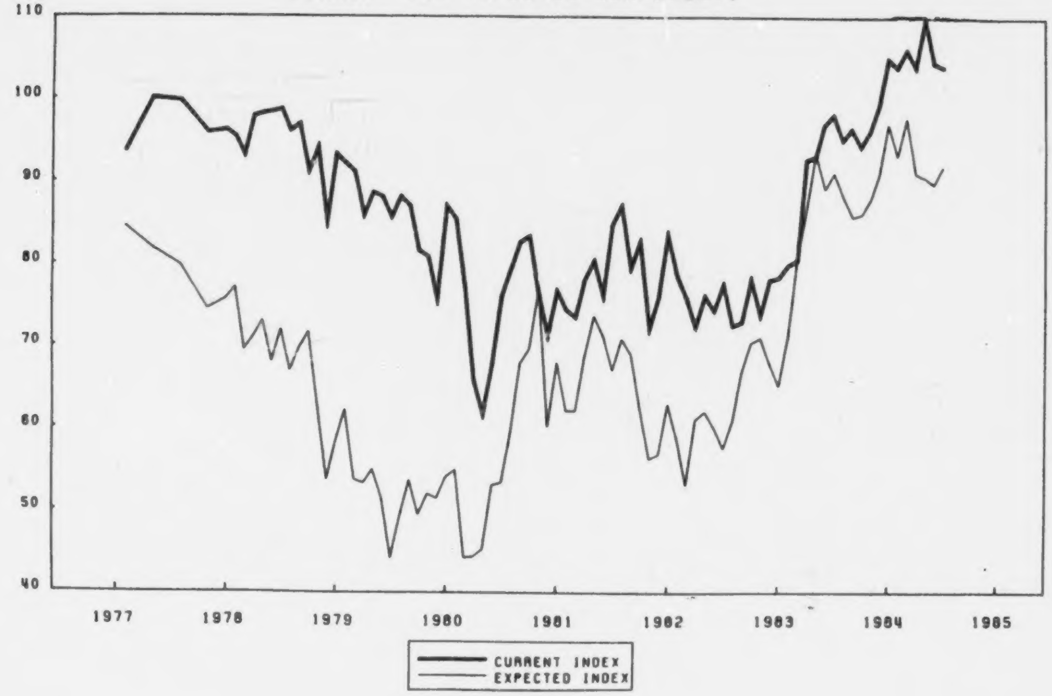
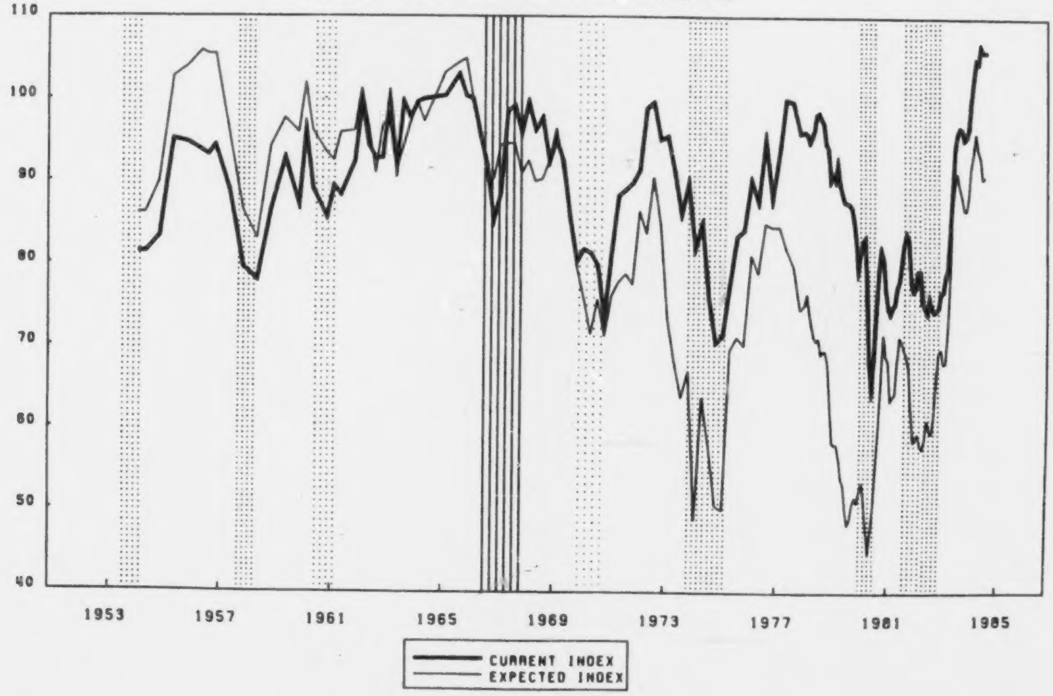


CHART 3 - HISTORICAL SERIES
CURRENT AND EXPECTED COMPONENTS



## TABLE 3

## COMPONENTS OF THE INDEX OF CONSUMER SENTIMENT

| | INDEX COMPONENTS + | | | | | | |
|---|---|---|---|---|---|---|---|
| | Personal finances | | Business conditions | | | | |
| | Current | Expected | 12 months | 5 years | Buying conds. | Current Index | Expected Index |
| DATE OF SURVEY | (1) | (2) | (3) | (4) | (5) | (1,5) | (2,3,4) |
| July 1981 | 99 | 114 | 81 | 70 | 118 | 84.9 | 67.1 |
| August 1981 | 100 | 117 | 92 | 72 | 123 | 87.1 | 70.8 |
| September 1981 | 94 | 113 | 80 | 80 | 109 | 79.5 | 69.0 |
| October 1981 | 95 | 110 | 68 | 67 | 117 | 82.7 | 62.3 |
| November 1981 | 85 | 110 | 54 | 56 | 99 | 72.1 | 56.3 |
| December 1981 | 94 | 110 | 54 | 61 | 101 | 75.9 | 56.8 |
| January 1982 | 92 | 115 | 66 | 70 | 124 | 83.5 | 62.9 |
| February 1982 | 91 | 112 | 56 | 65 | 111 | 78.6 | 58.7 |
| March 1982 | 89 | 106 | 44 | 60 | 106 | 75.9 | 53.1 |
| April 1982 | 87 | 111 | 62 | 70 | 99 | 72.3 | 61.1 |
| May 1982 | 94 | 113 | 62 | 72 | 102 | 76.1 | 62.0 |
| June 1982 | 92 | 116 | 58 | 65 | 99 | 74.3 | 60.1 |
| July 1982 | 90 | 113 | 53 | 63 | 110 | 77.5 | 57.6 |
| August 1982 | 89 | 110 | 64 | 69 | 97 | 72.5 | 60.9 |
| September 1982 | 89 | 116 | 76 | 74 | 98 | 72.9 | 66.9 |
| October 1982 | 95 | 119 | 79 | 83 | 106 | 78.1 | 70.4 |
| November 1982 | 85 | 121 | 77 | 86 | 105 | 73.8 | 71.0 |
| December 1982 | 90 | 117 | 74 | 80 | 111 | 78.1 | 67.9 |
| January 1983 | 91 | 115 | 76 | 69 | 111 | 78.4 | 65.2 |
| February 1983 | 89 | 117 | 87 | 81 | 117 | 79.9 | 71.2 |
| March 1983 | 92 | 126 | 113 | 85 | 115 | 80.5 | 80.9 |
| April 1983 | 108 | 131 | 120 | 99 | 131 | 92.7 | 86.9 |
| May 1983 | 101 | 137 | 139 | 100 | 139 | 93.1 | 93.4 |
| June 1983 | 110 | 128 | 134 | 97 | 141 | 96.9 | 89.2 |
| July 1983 | 111 | 126 | 136 | 104 | 143 | 98.1 | 91.1 |
| August 1983 | 106 | 124 | 130 | 100 | 140 | 95.1 | 88.2 |
| September 1983 | 109 | 125 | 125 | 95 | 140 | 96.4 | 85.8 |
| October 1983 | 104 | 124 | 124 | 98 | 140 | 94.3 | 86.1 |
| November 1983 | 111 | 127 | 129 | 98 | 138 | 96.1 | 87.9 |
| December 1983 | 123 | 125 | 140 | 102 | 134 | 99.3 | 91.0 |
| January 1984 | 117 | 129 | 154 | 108 | 155 | 104.9 | 97.0 |
| February 1984 | 119 | 130 | 139 | 106 | 151 | 103.9 | 93.2 |
| March 1984 | 122 | 135 | 146 | 113 | 153 | 106.0 | 97.7 |
| April 1984 | 117 | 124 | 136 | 106 | 153 | 103.9 | 91.1 |
| May 1984 | 121 | 129 | 131 | 105 | 164 | 109.8 | 90.6 |
| June 1984 | 126 | 124 | 131 | 106 | 145 | 104.4 | 89.8 |
| July 1984 | 117 | 124 | 133 | 113 | 152 | 103.9 | 91.9 |

(1) See Table 4.
(2) See Table 6.
(3) See Table 18.
(4) See Table 19.
(5) See Table 26.

+ : Percent saying "GOOD TIMES" (or "BETTER"), minus percent saying "BAD TIMES" (or "WORSE"), plus 100.

CHART 4 - RECENT CHANGES
CURRENT FINANCIAL SITUATION COMPARED WITH A YEAR AGO

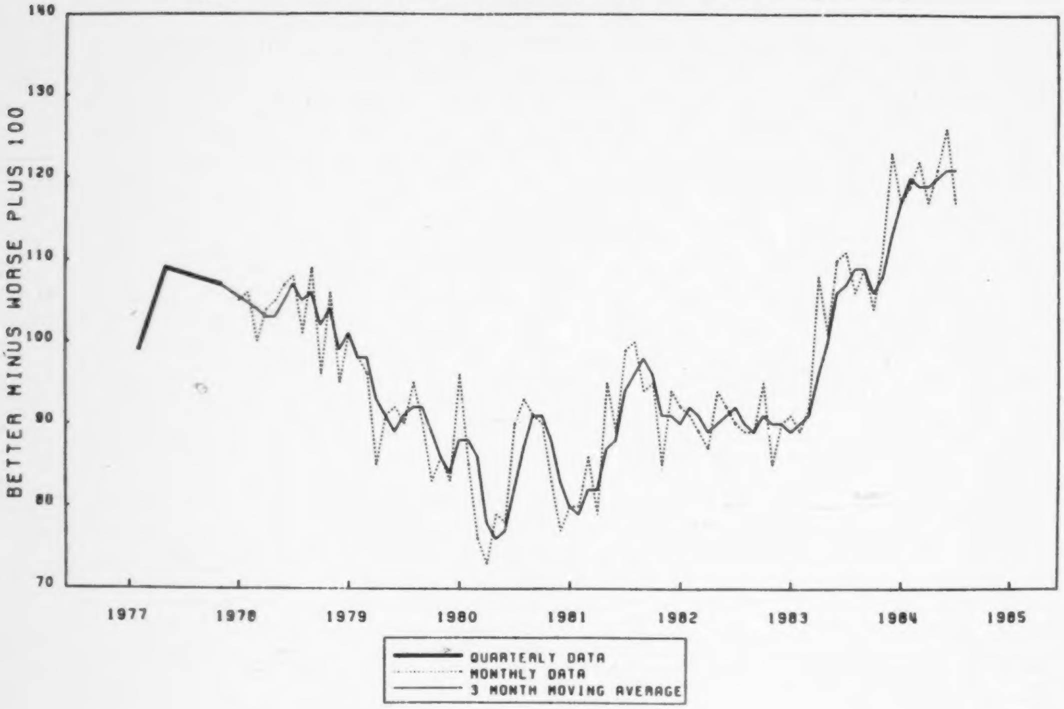
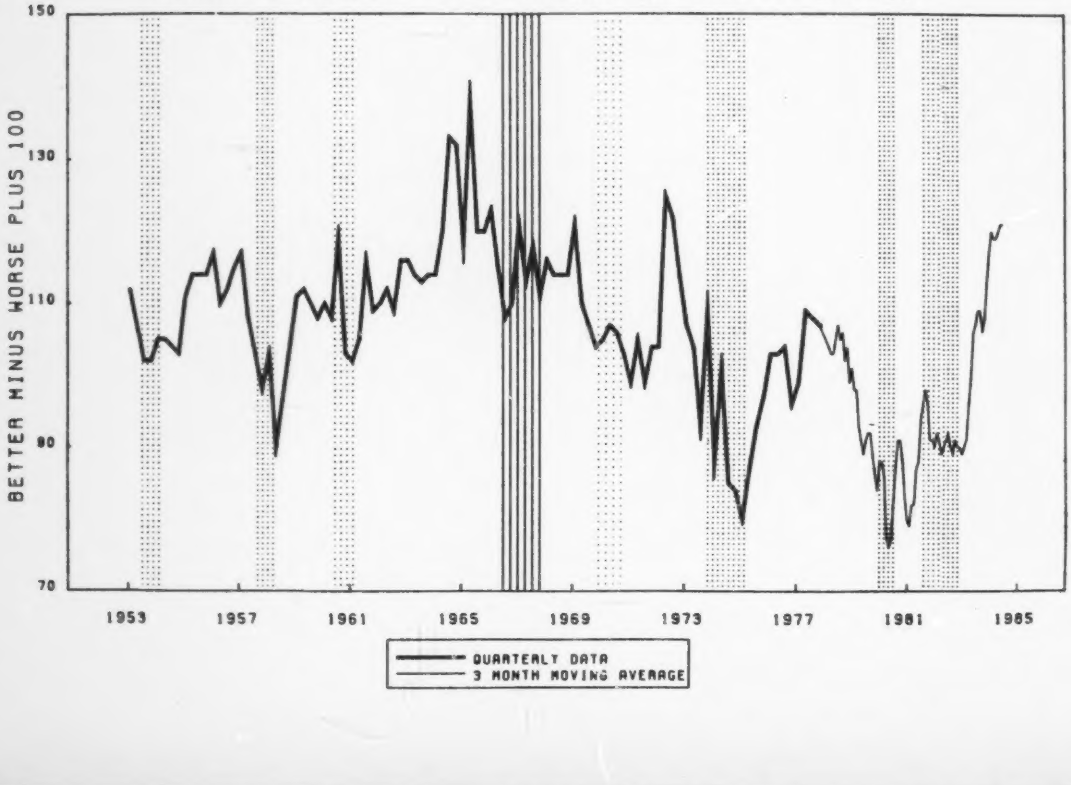


CHART 4 - HISTORICAL SERIES
CURRENT FINANCIAL SITUATION COMPARED WITH A YEAR AGO



## TABLE 4

### CURRENT FINANCIAL SITUATION COMPARED TO A YEAR AGO

| | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 | July 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| BETTER OFF | 40% | 36% | 38% | 36% | 38% | 45% | 42% | 44% | 48% | 43% | 44% | 47% | 42% |
| SAME | 31 | 34 | 33 | 32 | 35 | 33 | 32 | 31 | 26 | 30 | 33 | 31 | 33 |
| WORSE OFF | 29 | 30 | 29 | 32 | 27 | 22 | 25 | 25 | 26 | 26 | 23 | 21 | 25 |
| DK,NA | * | * | * | * | * | * | 1 | * | * | 1 | * | 1 | * |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 | 690 | 680 | 656 |

The question was: "We are interested in how people are getting along financially these days. Would you say that you (and your family living there) are better off or worse off financially than you were a year ago?"

* : Less than half of one percent.

CHART 5 - RECENT CHANGES
REASONS FOR OPINIONS ABOUT PERSONAL FINANCIAL SITUATION

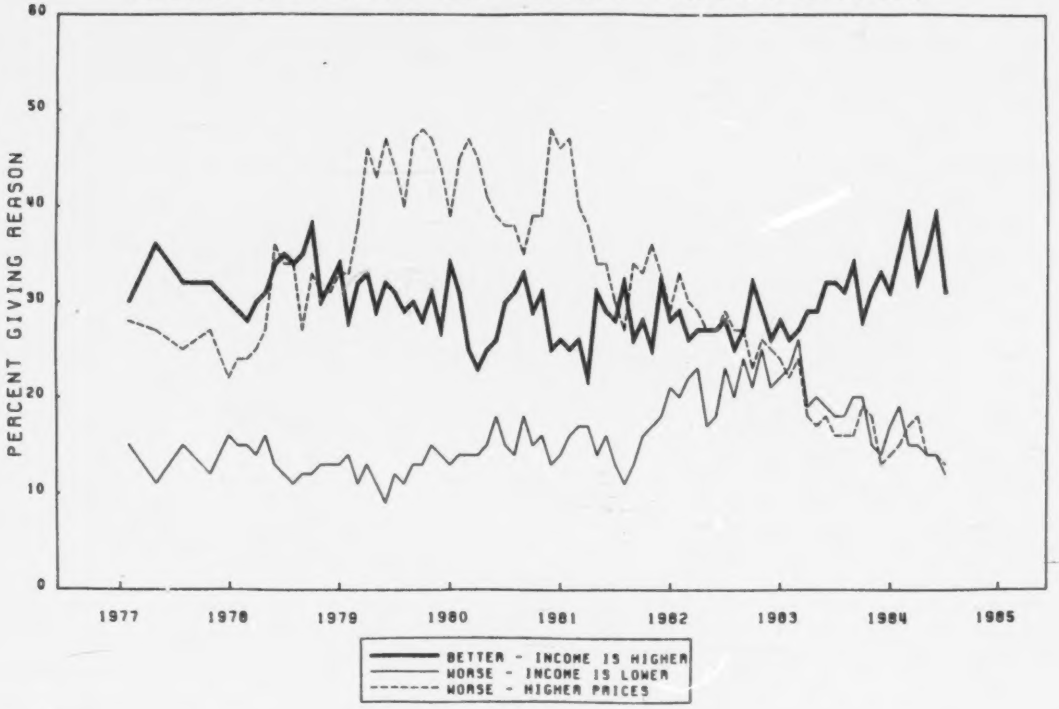
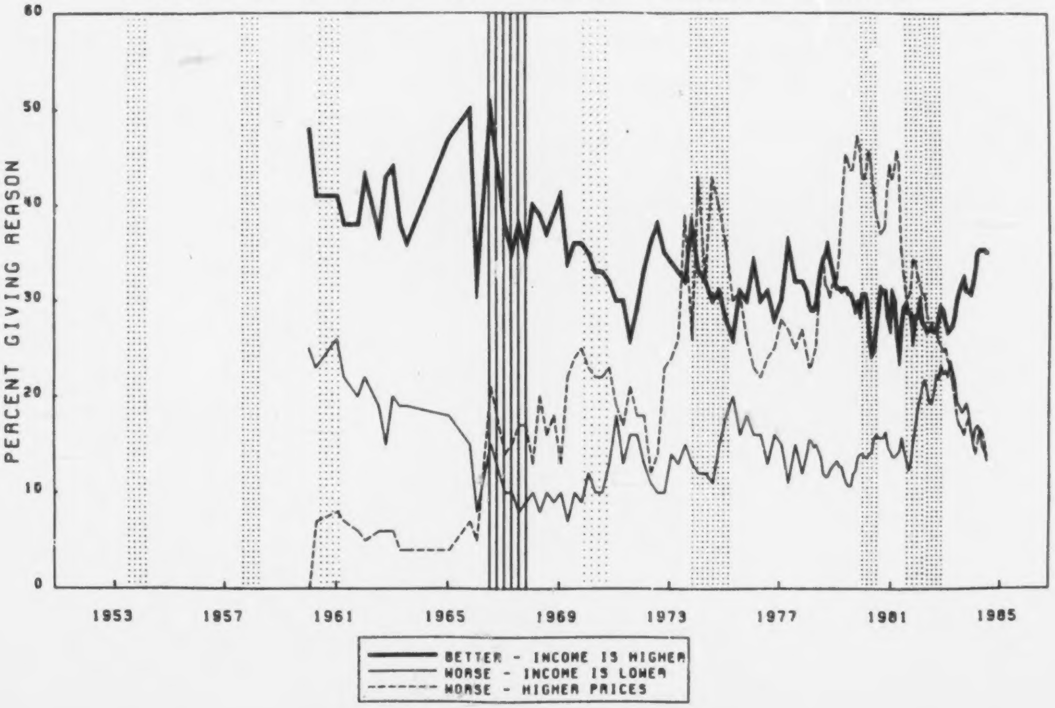


CHART 5 - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT PERSONAL FINANCIAL SITUATION



## TABLE 5

### SELECTED REASONS FOR OPINIONS ABOUT PERSONAL FINANCIAL SITUATION +

| | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 | July 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| BETTER OFF THAN YEAR AGO: | | | | | | | | | | | | | |
| Income is higher | 32% | 31% | 34% | 28% | 31% | 33% | 31% | 35% | 39% | 32% | 35% | 39% | 31% |
| WORSE OFF THAN YEAR AGO: | | | | | | | | | | | | | |
| Income is lower | 18 | 18 | 20 | 20 | 15 | 14 | 17 | 19 | 15 | 15 | 14 | 14 | 12 |
| Higher prices | 16 | 16 | 16 | 19 | 18 | 13 | 14 | 15 | 17 | 18 | 14 | 14 | 13 |

Responses to the query: "Why do you say so?" following the question on Table 4.

+ : May add to more than 100% due to multiple mentions.

CHART 6 - RECENT CHANGES
EXPECTED CHANGE IN FINANCIAL SITUATION

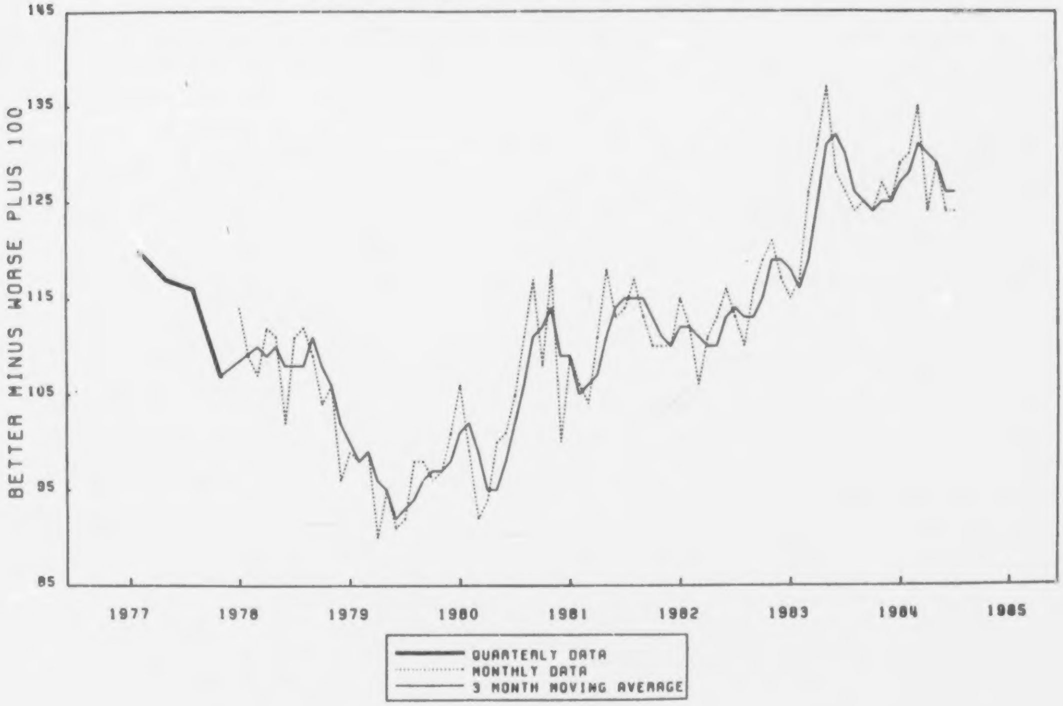
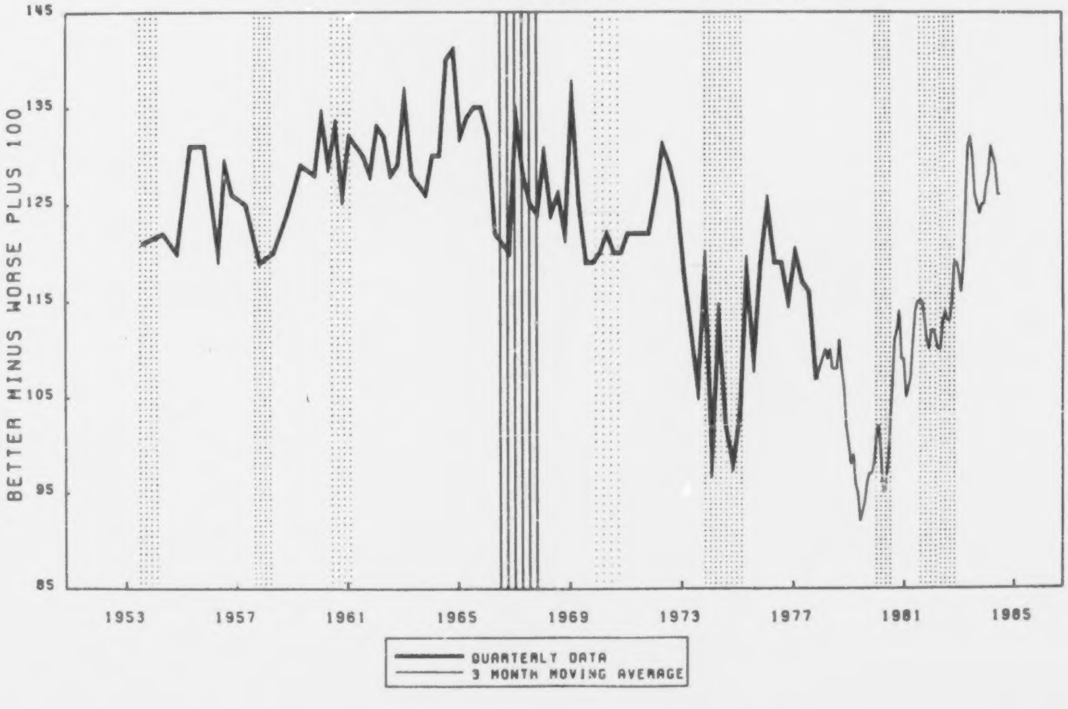


CHART 6 - HISTORICAL SERIES
EXPECTED CHANGE IN FINANCIAL SITUATION



## TABLE 6

## EXPECTED CHANGE IN FINANCIAL SITUATION

| | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 | July 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| BETTER OFF | 35% | 37% | 37% | 37% | 38% | 35% | 38% | 41% | 44% | 37% | 40% | 35% | 34% |
| SAME | 52 | 46 | 48 | 46 | 47 | 51 | 50 | 44 | 44 | 48 | 47 | 52 | 51 |
| WORSE OFF | 9 | 13 | 12 | 13 | 11 | 10 | 9 | 11 | 9 | 13 | 11 | 11 | 10 |
| DK,NA | 4 | 4 | 3 | 4 | 4 | 4 | 3 | 4 | 3 | 2 | 2 | 2 | 5 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 | 690 | 680 | 656 |

The question was: "Now looking ahead--do you think that a year from now you (and your family living there) will be better off financially, or worse off, or just about the same as now?"

CHART 7 - RECENT CHANGES
TREND IN PERSONAL FINANCIAL SITUATION

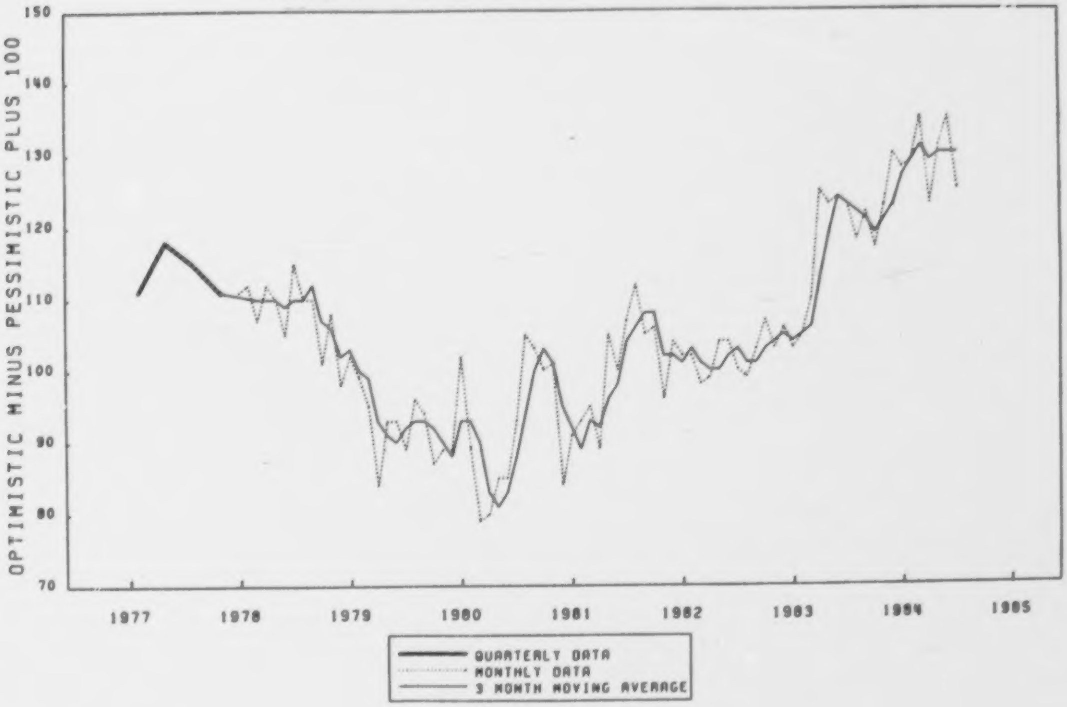
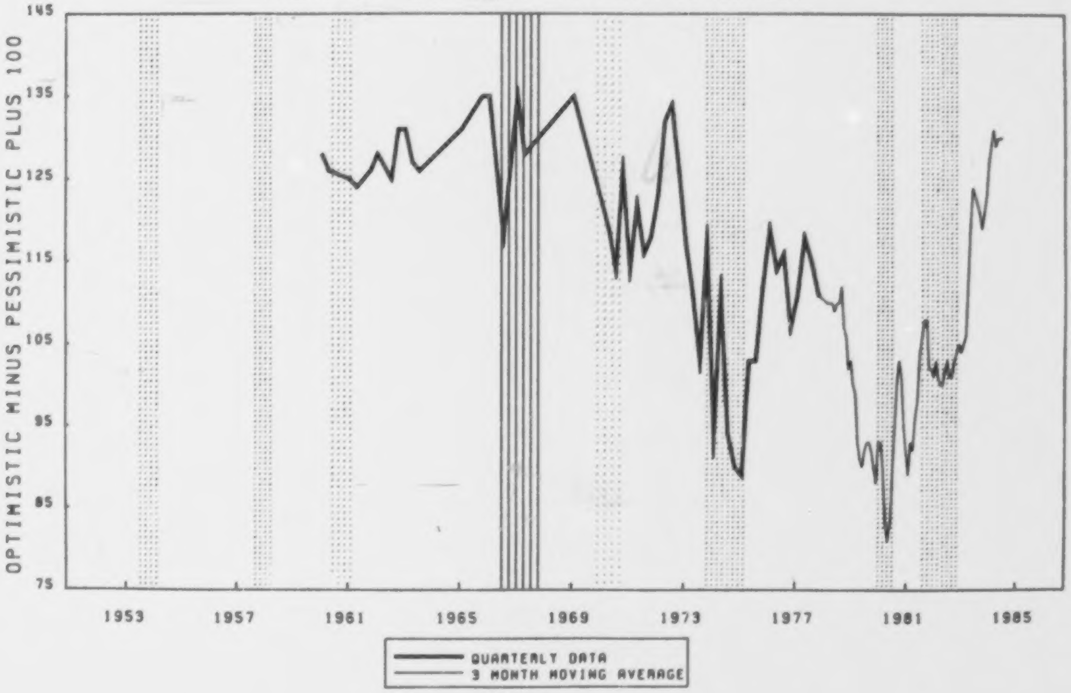


CHART 7 - HISTORICAL SERIES
TREND IN PERSONAL FINANCIAL SITUATION



## TABLE 7

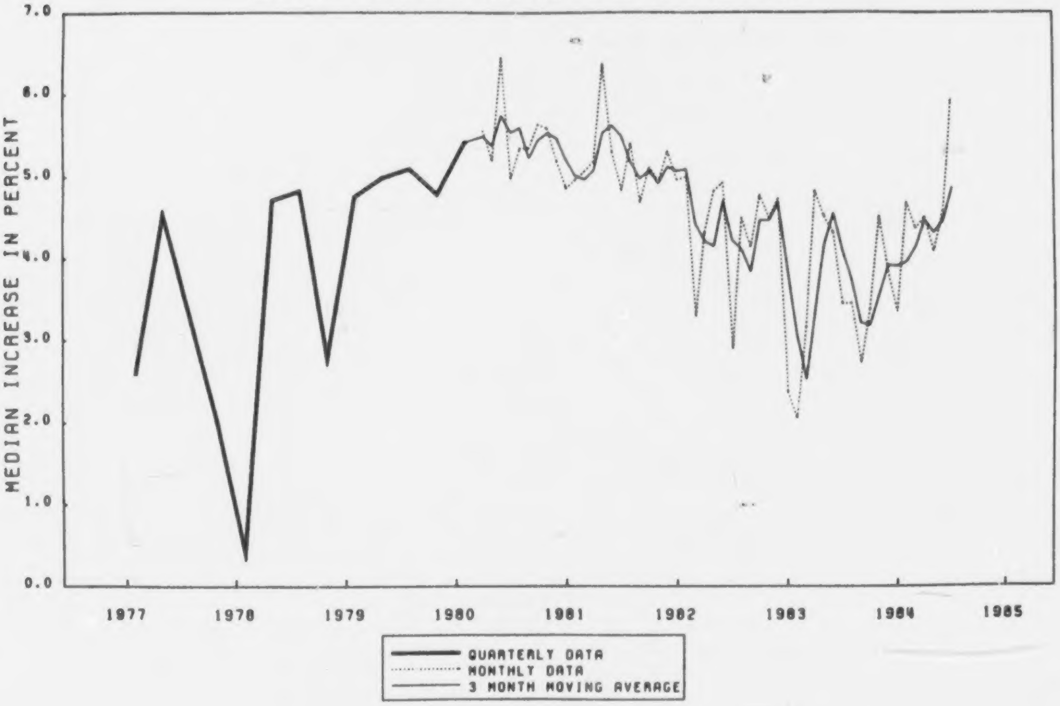
## TREND IN PERSONAL FINANCIAL SITUATION

| | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 | July 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| PERSONAL FINANCIAL PROGRESS: | | | | | | | | | | | | | |
| Continuous increase (a) | 20% | 19% | 18% | 19% | 20% | 22% | 22% | 24% | 27% | 23% | 23% | 20% | 22% |
| Intermittent increase (b) | 24 | 23 | 27 | 23 | 23 | 26 | 26 | 25 | 27 | 22 | 24 | 32 | 24 |
| Remain unchanged (c) | 21 | 19 | 18 | 18 | 21 | 22 | 18 | 17 | 14 | 19 | 21 | 19 | 21 |
| Intermittent decline (d) | 16 | 18 | 17 | 18 | 15 | 13 | 16 | 16 | 14 | 16 | 12 | 12 | 16 |
| Continuous decline (e) | 5 | 6 | 6 | 7 | 5 | 5 | 4 | 4 | 5 | 6 | 4 | 5 | 5 |
| Mixed change (f) | 10 | 10 | 11 | 11 | 11 | 8 | 10 | 10 | 10 | 11 | 14 | 10 | 7 |
| DK,NA | 4 | 5 | 3 | 4 | 5 | 4 | 4 | 4 | 3 | 3 | 2 | 2 | 5 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 | 690 | 680 | 656 |

Combination of the responses to the questions on Tables 4 and 6.

Key: (a) Better off financially than a year ago/Better off a year from now
b) Better/Same or Same/Better
(c) Same/Same
(d) Worse/Same or Same/Worse
(e) Worse/Worse
(f) Worse/Better or Better/Worse

## CHART 8 - RECENT CHANGES
## MEDIAN EXPECTED CHANGE IN FAMILY INCOME



## TABLE 8

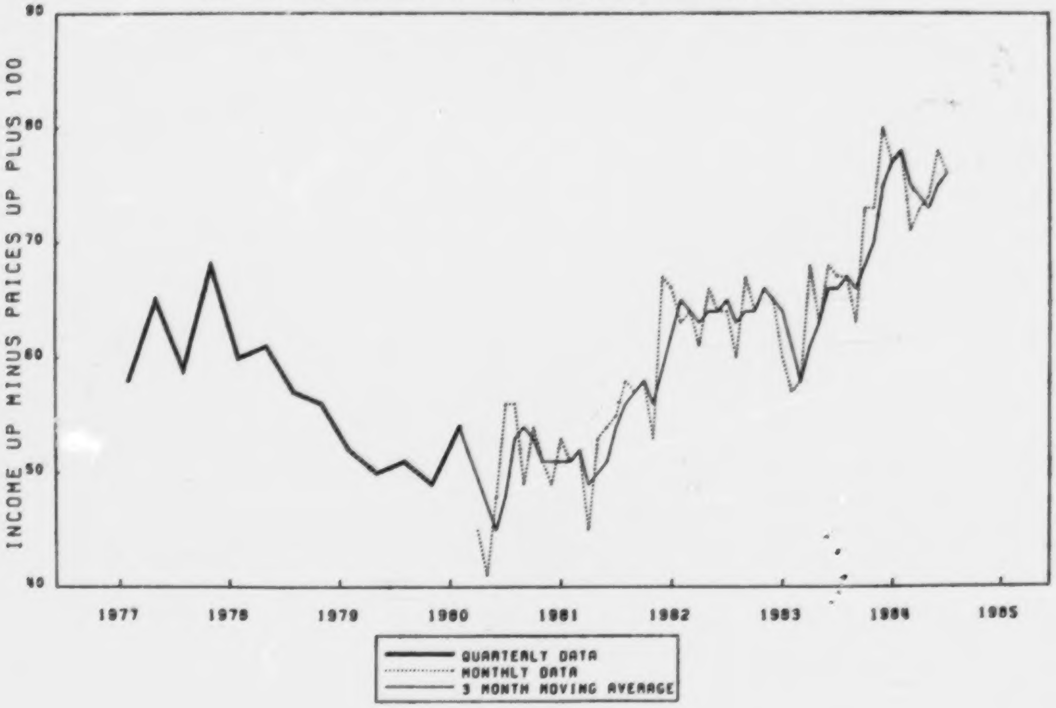
## EXPECTED FAMILY INCOME CHANGE DURING THE NEXT 12 MONTHS

| | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 | July 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| EXPECT INCREASE: | | | | | | | | | | | | | |
| 1-4% | 9% | 13% | 11% | 11% | 12% | 12% | 15% | 13% | 14% | 11% | 11% | 12% | 17% |
| 5% | 12 | 10 | 12 | 10 | 9 | 10 | 11 | 13 | 9 | 11 | 9 | 11 | 12 |
| 6-9% | 10 | 10 | 5 | 10 | 8 | 10 | 8 | 10 | 8 | 8 | 7 | 12 | 8 |
| 10-24% | 15 | 15 | 14 | 15 | 19 | 16 | 16 | 19 | 18 | 18 | 21 | 17 | 17 |
| 25% or more | 7 | 8 | 9 | 7 | 8 | 7 | 7 | 6 | 11 | 8 | 8 | 7 | 6 |
| DK how much up | 4 | 4 | 6 | 5 | 7 | 5 | 4 | 4 | 6 | 5 | 6 | 3 | 4 |
| EXPECT SAME | 28 | 23 | 30 | 26 | 23 | 26 | 27 | 22 | 26 | 22 | 26 | 24 | 23 |
| EXPECT DOWN | 13 | 14 | 12 | 13 | 11 | 12 | 10 | 11 | 7 | 15 | 11 | 11 | 11 |
| DK,NA | 2 | 3 | 1 | 3 | 3 | 2 | 2 | 2 | 1 | 2 | 1 | 3 | 2 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 | 690 | 680 | 656 |

The questions were: "During the next 12 months, do you expect your (family) income to be higher or lower than during the past year?" and "By about what percent do you expect your (family) income to increase during the next 12 months?"

CHART 9 - RECENT CHANGES

INCOME OR PRICES UP MORE DURING THE LAST YEAR



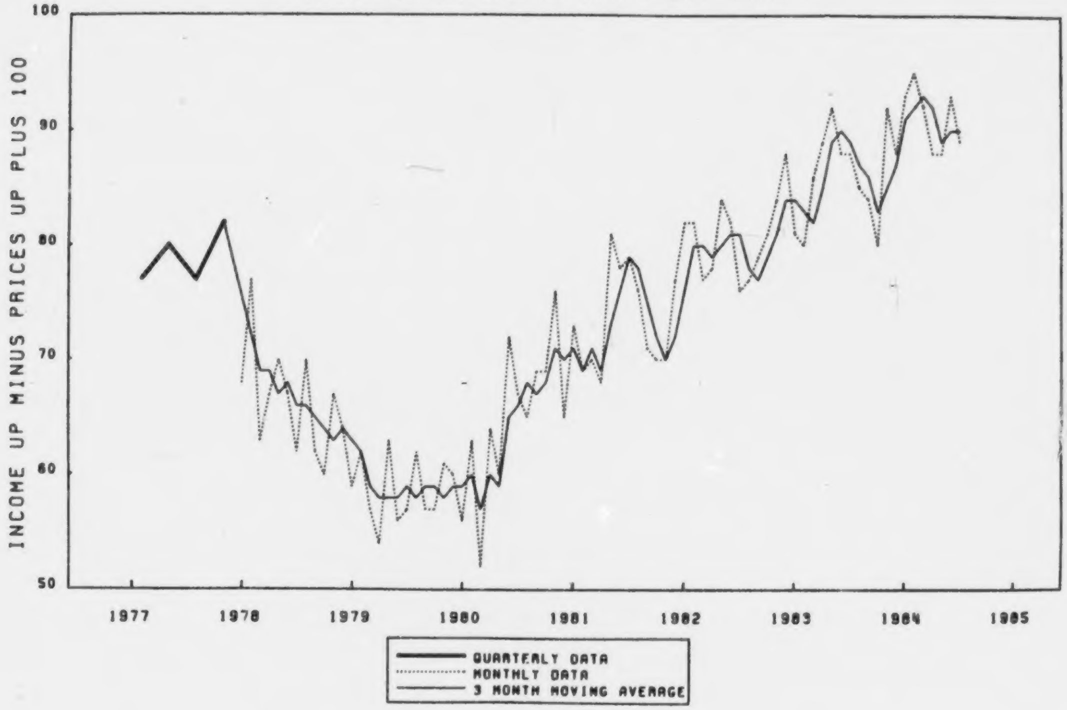
## TABLE 9

## PAST CHANGE IN REAL FAMILY INCOME

| | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 | July 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| INCOME UP MORE | 18% | 20% | 15% | 20% | 22% | 23% | 23% | 22% | 20% | 20% | 20% | 21% | 21% |
| INCOME UP SAME | 29 | 26 | 31 | 32 | 28 | 32 | 29 | 32 | 30 | 32 | 33 | 34 | 33 |
| PRICES UP MORE | 51 | 53 | 52 | 47 | 49 | 43 | 46 | 44 | 49 | 47 | 46 | 43 | 45 |
| DK,NA | 2 | 1 | 2 | 1 | 1 | 2 | 2 | 2 | 1 | 1 | 1 | 2 | 1 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 | 690 | 680 | 656 |

The question was: "During the last year or two, would you say that your (family) income went up more than prices, went up about the same as prices, or went up less than prices?"

## CHART 10 - RECENT CHANGES
## INCOME OR PRICES UP MORE NEXT YEAR



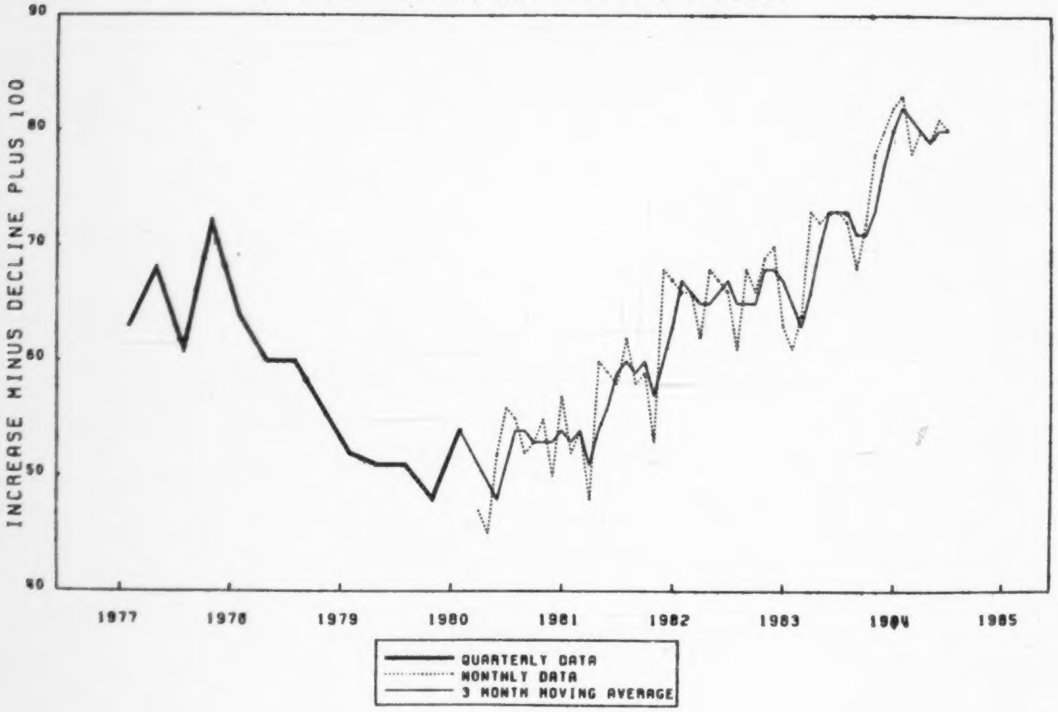
## TABLE 10

## EXPECTED CHANGE IN REAL FAMILY INCOME

| | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 | July 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| INCOME UP MORE | 22% | 19% | 19% | 18% | 23% | 20% | 23% | 24% | 23% | 21% | 22% | 22% | 22% |
| INCOME UP SAME | 41 | 43 | 44 | 41 | 42 | 45 | 45 | 45 | 44 | 43 | 42 | 47 | 41 |
| PRICES UP MORE | 34 | 34 | 35 | 38 | 31 | 32 | 30 | 29 | 31 | 33 | 34 | 29 | 33 |
| DK,NA | 3 | 4 | 2 | 3 | 4 | 3 | 2 | 2 | 2 | 3 | 2 | 2 | 4 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 | 690 | 680 | 656 |

The question was: "How about the next year or two--do you expect that your (family) income will go up more than prices will go up, about the same, or less than prices will go up?"

CHART 11 - RECENT CHANGES
TREND IN INCOME AND PRICE COMPARISON



## TABLE 11

## TREND IN FAMILY INCOME AND PRICES COMPARISONS

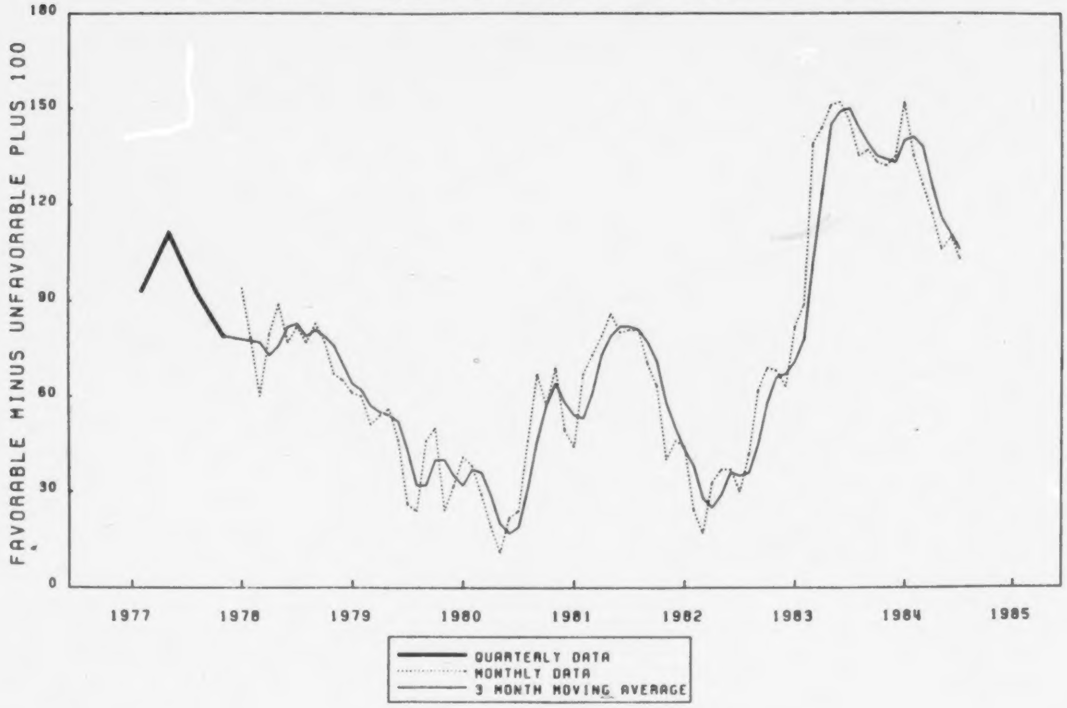
| | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 | July 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| REAL INCOME PROGRESS: | | | | | | | | | | | | | |
| Continuous increase (a) | 10% | 10% | 8% | 11% | 13% | 12% | 12% | 13% | 12% | 10% | 9% | 11% | 10% |
| Intermittent increase (b) | 13 | 13 | 10 | 10 | 12 | 14 | 14 | 13 | 12 | 14 | 17 | 13 | 14 |
| Remain unchanged (c) | 17 | 16 | 21 | 20 | 17 | 19 | 19 | 20 | 20 | 21 | 17 | 22 | 20 |
| Intermittent decline (d) | 23 | 24 | 23 | 21 | 23 | 23 | 21 | 22 | 20 | 18 | 22 | 23 | 20 |
| Continuous decline (e) | 27 | 27 | 27 | 28 | 24 | 23 | 23 | 21 | 26 | 26 | 25 | 20 | 24 |
| Mixed change (f) | 7 | 6 | 8 | 7 | 7 | 6 | 8 | 6 | 8 | 7 | 7 | 8 | 8 |
| DK,NA | 3 | 4 | 3 | 3 | 4 | 3 | 3 | 5 | 2 | 4 | 3 | 3 | 4 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 | 690 | 680 | 656 |

Combination of the responses to the questions on Tables 9 and 10.

Key: (a) Income up more last year/Income up more next year
(b) Income up more/Same or Income up same/More
(c) Income up same/Same
(d) Prices up more/Same or Prices up same/More
(e) Prices up more/More
(f) Income up more/Prices up more or Prices up more/Income up more

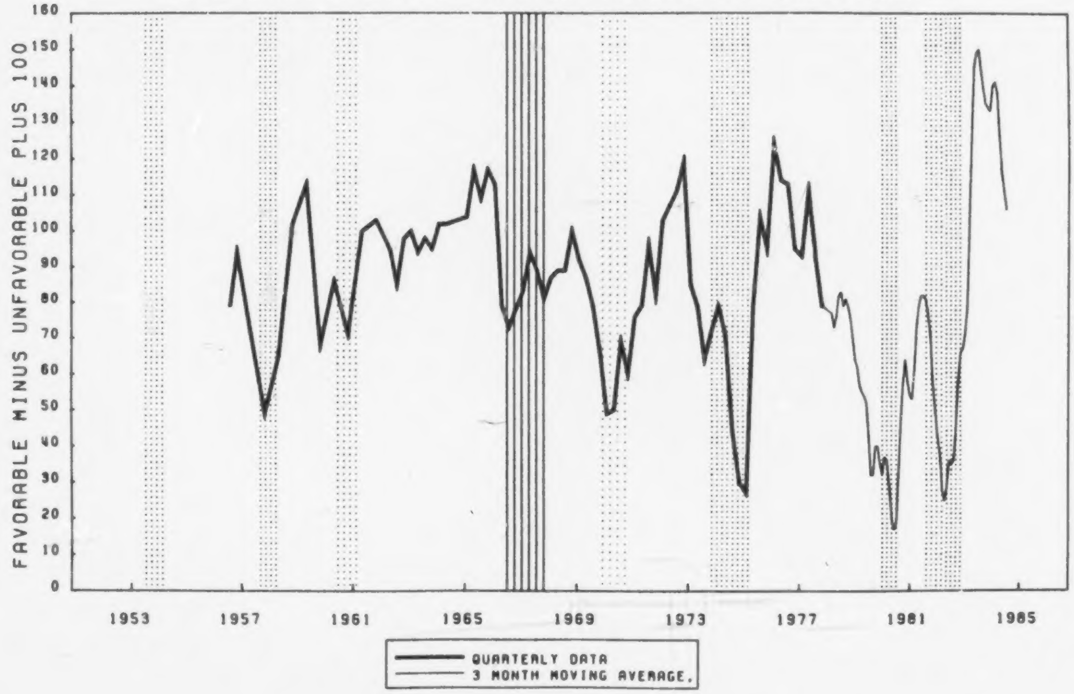
## CHART 12 - RECENT CHANGES

NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS



## CHART 12 - HISTORICAL SERIES

NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS



## TABLE 12

## NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS +

| | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 | July 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| FAVORABLE NEWS | 74% | 69% | 64% | 63% | 62% | 60% | 78% | 66% | 58% | 49% | 47% | 50% | 42% |
| UNFAVORABLE NEWS | 28 | 34 | 27 | 30 | 30 | 25 | 26 | 31 | 32 | 32 | 41 | 40 | 39 |
| NO MENTIONS | 34 | 34 | 43 | 41 | 39 | 42 | 33 | 38 | 43 | 46 | 41 | 41 | 46 |

The questions were: "During the last few months, have you heard of any favorable or unfavorable changes in business conditions?" and "What did you hear?"

+ : May add to more than 100% due to multiple mentions.

CHART 13A - HISTORICAL SERIES
TYPE OF NEWS HEARD ABOUT CHANGES IN BUSINESS CONDITIONS

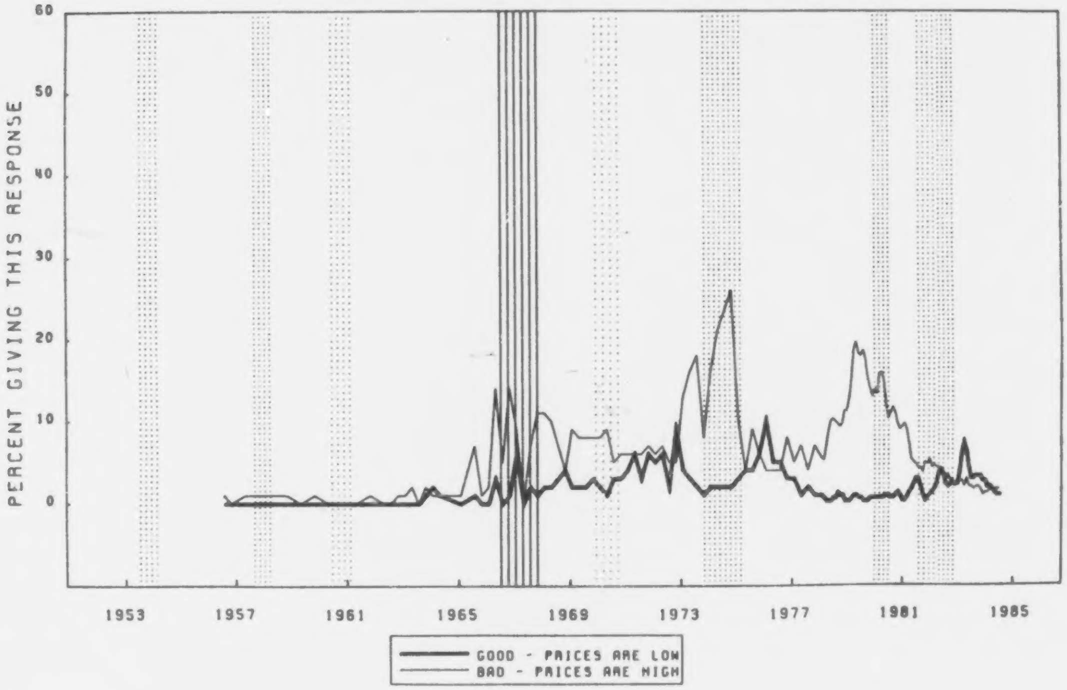
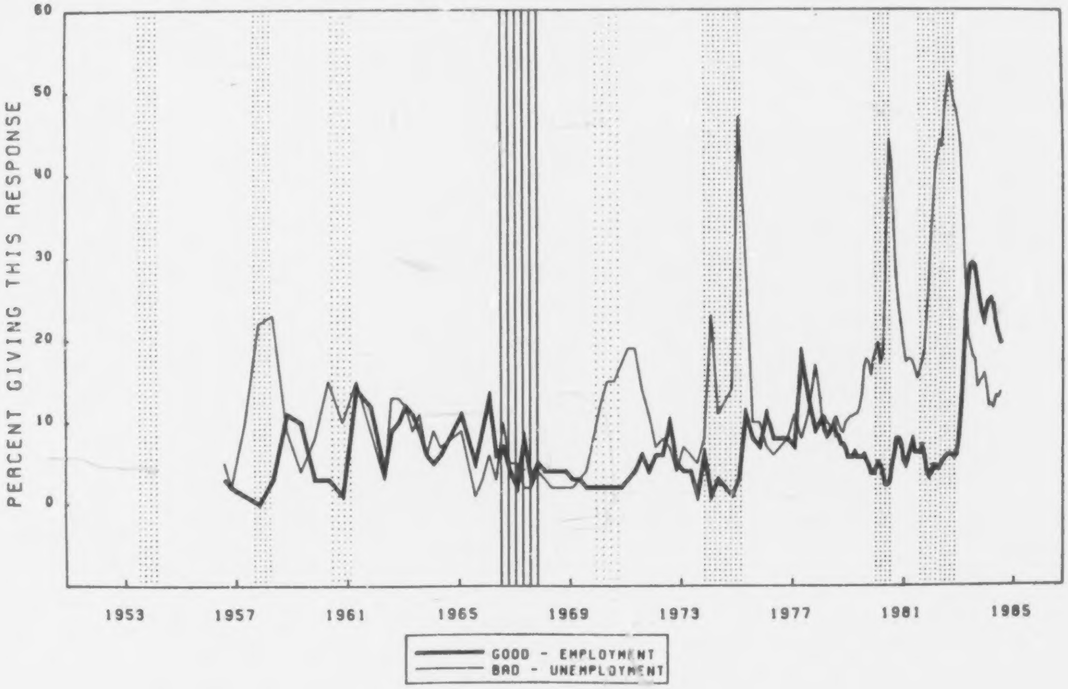


CHART 13B - HISTORICAL SERIES
TYPE OF NEWS HEARD ABOUT CHANGES IN BUSINESS CONDITIONS



## TABLE 13

## SELECTED ITEMS OF NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS +

| | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 | July 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| FAVORABLE NEWS: | | | | | | | | | | | | | |
| Government; elections | 2% | 2% | 1% | 2% | 2% | 1% | 3% | 2% | 1% | 1% | 1% | 2% | 2% |
| Employment | 29 | 27 | 25 | 23 | 22 | 22 | 27 | 25 | 25 | 23 | 18 | 21 | 20 |
| Consumer demand high | 11 | 13 | 11 | 11 | 13 | 12 | 18 | 15 | 10 | 8 | 10 | 8 | 4 |
| Prices are low | 3 | 3 | 4 | 3 | 3 | 2 | 3 | 1 | 2 | 1 | 1 | 1 | 1 |
| Credit is easy | 11 | 8 | 8 | 7 | 5 | 4 | 5 | 4 | 5 | 4 | 2 | 3 | 2 |
| UNFAVORABLE NEWS: | | | | | | | | | | | | | |
| Government; elections | 2 | 3 | 1 | 1 | 2 | 3 | 2 | 5 | 4 | 2 | 3 | 2 | 4 |
| Unemployment | 16 | 16 | 11 | 18 | 17 | 13 | 13 | 10 | 14 | 11 | 15 | 13 | 13 |
| Consumer demand low | 2 | 2 | 1 | 1 | 2 | * | 2 | 1 | 1 | * | 2 | 1 | 2 |
| Prices are high | 1 | 2 | 3 | 1 | 1 | 1 | 2 | 1 | 2 | 1 | 2 | 2 | 1 |
| Credit is tight | 3 | 6 | 4 | 2 | 1 | 2 | 1 | 2 | 3 | 9 | 10 | 12 | 13 |
| Energy crisis | * | * | * | * | * | * | * | * | * | * | * | * | * |

The questions were: "During the last few months, have you heard of any favorable or unfavorable changes in business conditions?" and "What did you hear?"

+ : May add to more than 100% due to multiple mentions.

* : Less than half of one percent.

CHART 14 - RECENT CHANGES

CURRENT BUSINESS CONDITIONS COMPARED WITH A YEAR AGO

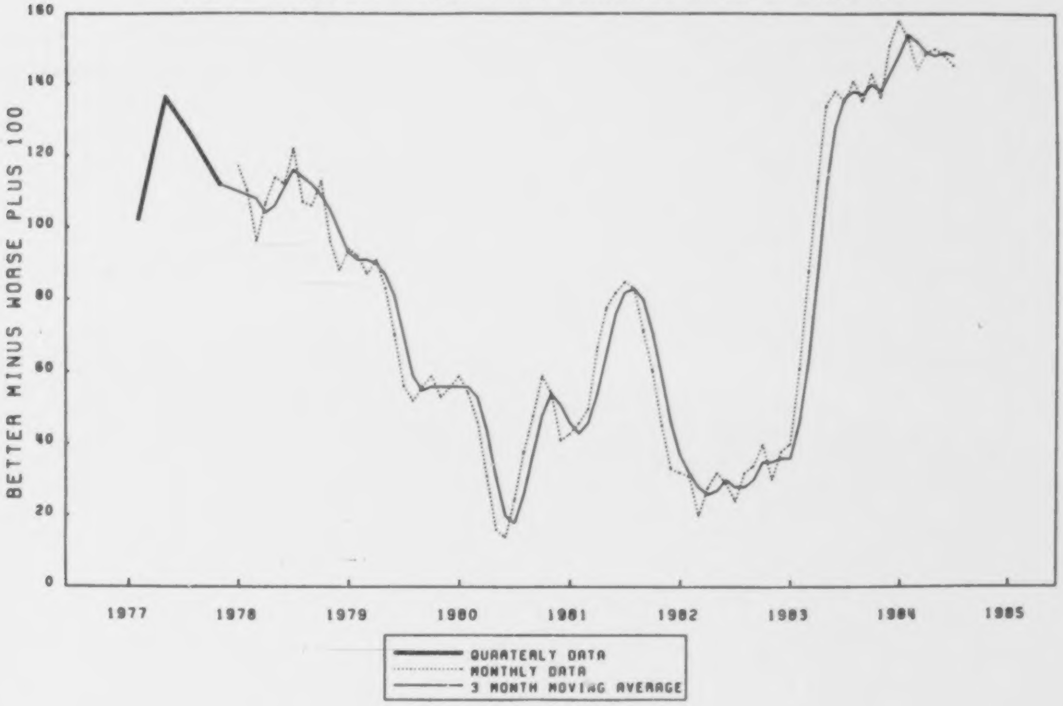
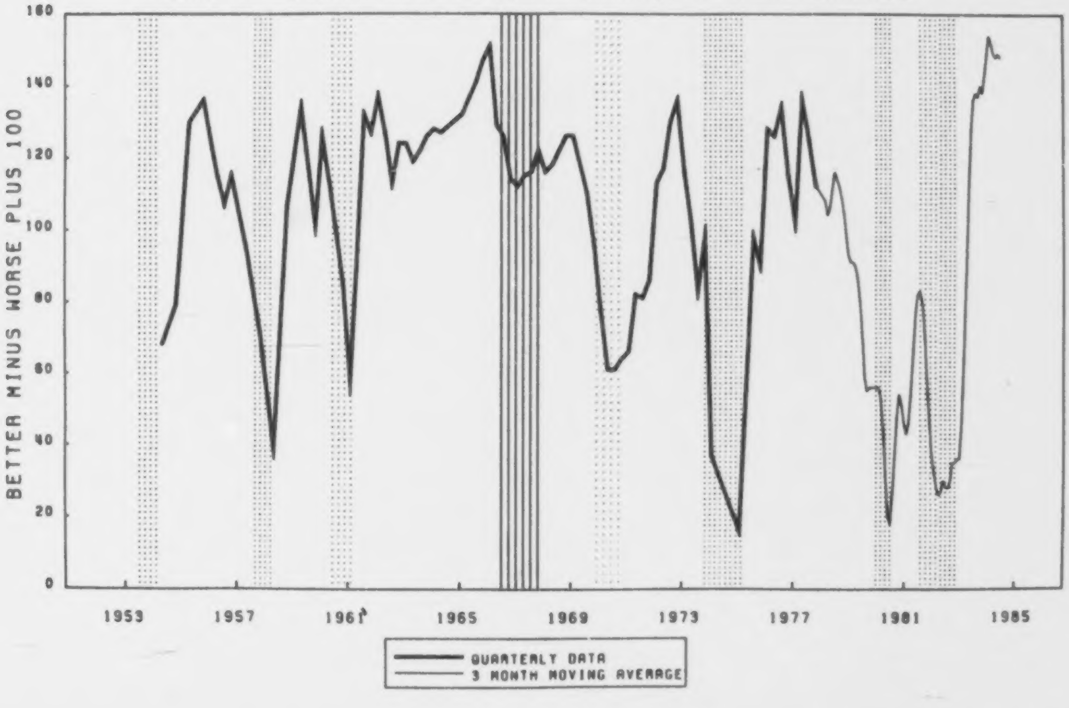


CHART 14 - HISTORICAL SERIES

CURRENT BUSINESS CONDITIONS COMPARED WITH A YEAR AGO



## TABLE 14

## CURRENT BUSINESS CONDITIONS COMPARED TO A YEAR AGO

| | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 | July 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| BETTER NOW | 63% | 66% | 62% | 66% | 63% | 71% | 75% | 72% | 67% | 68% | 70% | 67% | 67% |
| SAME | 8 | 8 | 10 | 9 | 8 | 8 | 6 | 8 | 9 | 11 | 9 | 12 | 9 |
| WORSE NOW | 28 | 25 | 27 | 23 | 27 | 20 | 17 | 19 | 23 | 19 | 20 | 19 | 22 |
| DK,NA | 1 | 1 | 1 | 2 | 2 | 1 | 2 | 1 | 1 | 2 | 1 | 2 | 2 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 | 690 | 680 | 656 |

The question was: "Would you say that at the present time business conditions are better or worse than they were a year ago?"

CHART 15 - RECENT CHANGES
EXPECTED CHANGE IN BUSINESS CONDITIONS IN A YEAR

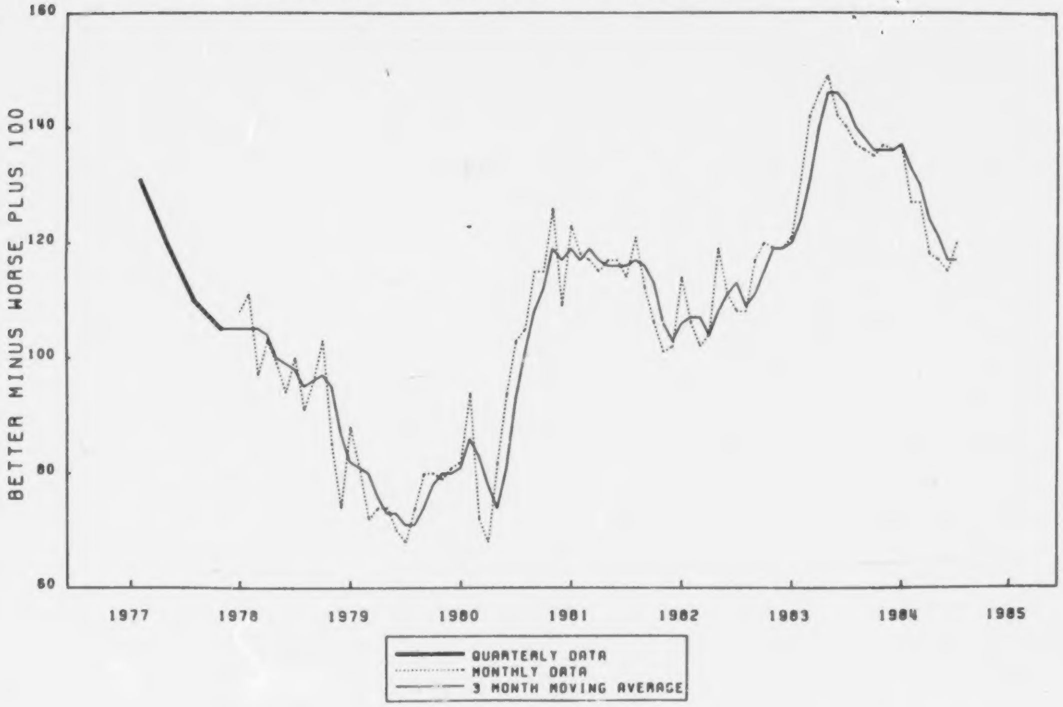


CHART 15 - HISTORICAL SERIES
EXPECTED CHANGE IN BUSINESS CONDITIONS IN A YEAR

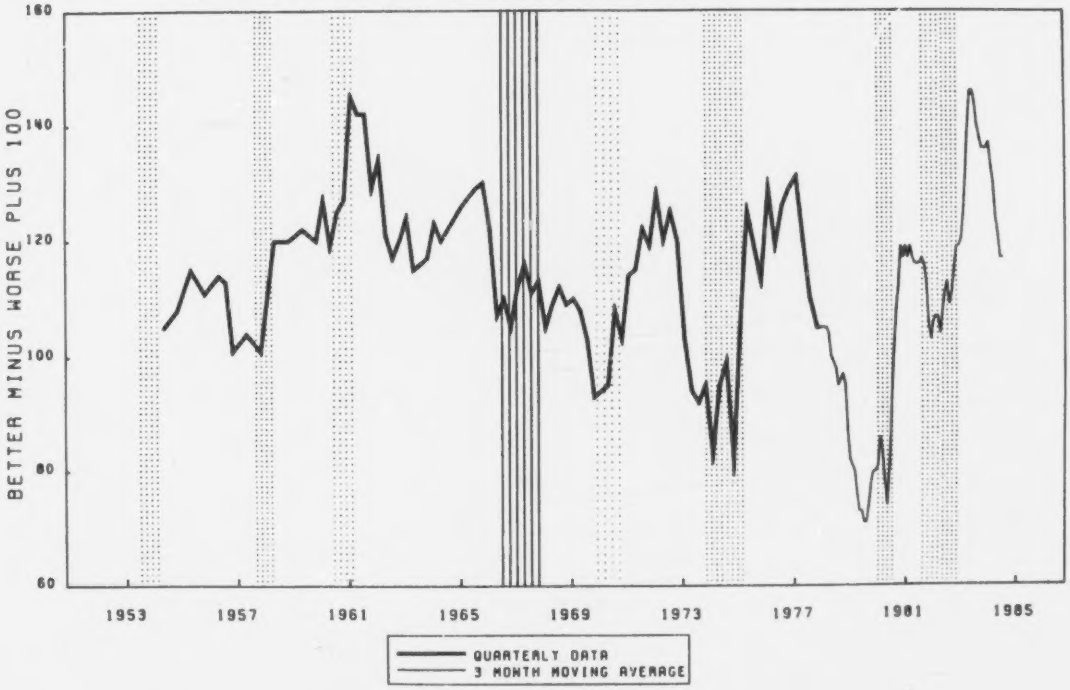


TABLE 15

EXPECTED CHANGE IN BUSINESS CONDITIONS IN A YEAR

| | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 | July 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| BETTER | 48% | 47% | 46% | 46% | 46% | 44% | 46% | 38% | 38% | 32% | 31% | 30% | 32% |
| SAME | 42 | 42 | 42 | 41 | 43 | 45 | 43 | 48 | 49 | 52 | 53 | 53 | 51 |
| WORSE | 8 | 10 | 10 | 11 | 9 | 8 | 9 | 11 | 11 | 14 | 14 | 15 | 12 |
| DK,NA | 2 | 1 | 2 | 2 | 2 | 3 | 2 | 3 | 2 | 2 | 2 | 2 | 5 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 | 690 | 680 | 656 |

The question was: "And how about a year from now, do you expect that in the country as a whole business conditions will be better, or worse than they are at present, or just about the same?"

CHART 16A - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUSINESS CONDITIONS IN A YEAR

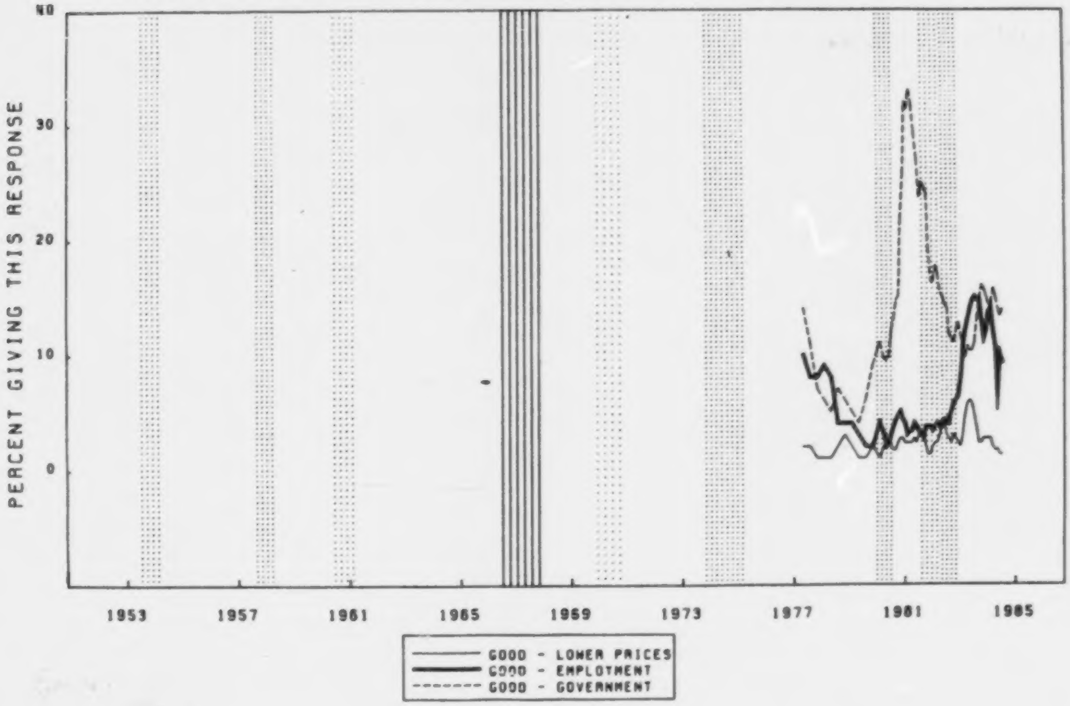
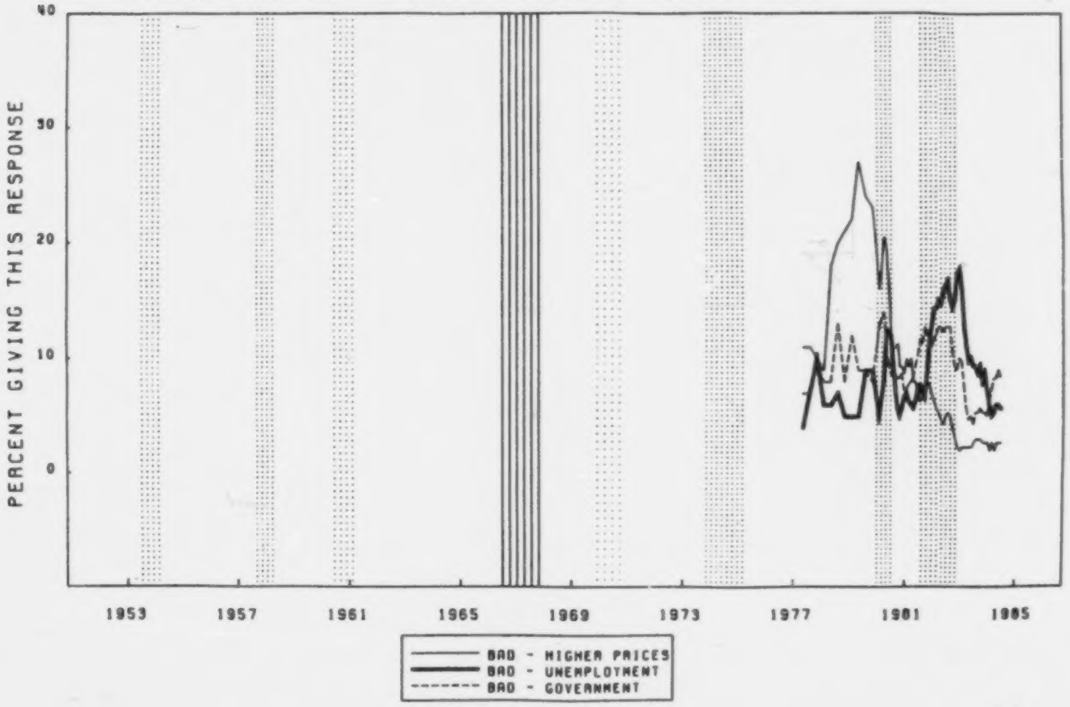


CHART 16B - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUSINESS CONDITIONS IN A YEAR



## TABLE 16

## REASONS FOR OPINIONS ABOUT CHANGES IN BUSINESS CONDITIONS IN A YEAR +

| | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 | July 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| FAVORABLE REASONS: | | | | | | | | | | | | | |
| Government; elections | 13% | 16% | 15% | 17% | 15% | 13% | 15% | 15% | 17% | 13% | 12% | 15% | 15% |
| Employment | 15 | 15 | 14 | 10 | 10 | 16 | 15 | 11 | 10 | 11 | 9 | 10 | 9 |
| Higher consumer demand | 7 | 6 | 7 | 8 | 8 | 8 | 8 | 5 | 4 | 4 | 5 | 4 | 5 |
| Lower prices | 3 | 2 | 2 | 3 | 2 | 3 | 3 | 1 | 2 | 1 | 2 | 1 | 1 |
| Easier credit | 7 | 6 | 5 | 6 | 4 | 4 | 3 | 4 | 2 | 2 | 2 | 2 | 4 |
| UNFAVORABLE REASONS: | | | | | | | | | | | | | |
| Government; elections | 4 | 6 | 6 | 5 | 5 | 6 | 4 | 9 | 9 | 7 | 9 | 11 | 5 |
| Unemployment | 8 | 9 | 9 | 10 | 8 | 8 | 6 | 4 | 5 | 7 | 6 | 5 | 6 |
| Lower consumer demand | 4 | 3 | 1 | 3 | 2 | 2 | 2 | 1 | 1 | 2 | 2 | 2 | 2 |
| Higher prices | 3 | 4 | 2 | 3 | 3 | 2 | 3 | 1 | 3 | 2 | 3 | 2 | 3 |
| Tighter credit | 4 | 3 | 2 | 2 | 2 | 1 | 2 | 4 | 2 | 7 | 7 | 8 | 7 |
| Energy crisis | * | * | * | * | * | * | * | * | * | * | * | * | * |

The question was: "Why do you expect business conditions to be better/the same/worse a year from now?" following the question on table 15.

+ : May add to more than 100% due to multiple mentions.

* : Less than half of one percent.

CHART 17 - RECENT CHANGES
TREND IN PAST AND EXPECTED BUSINESS CONDITIONS

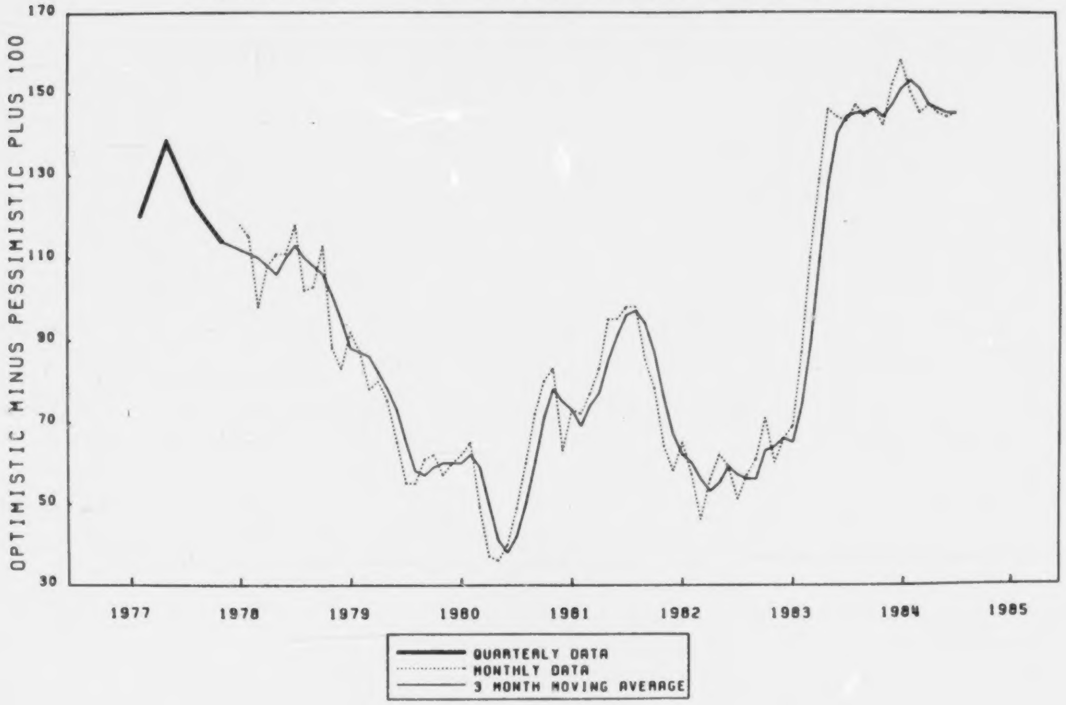
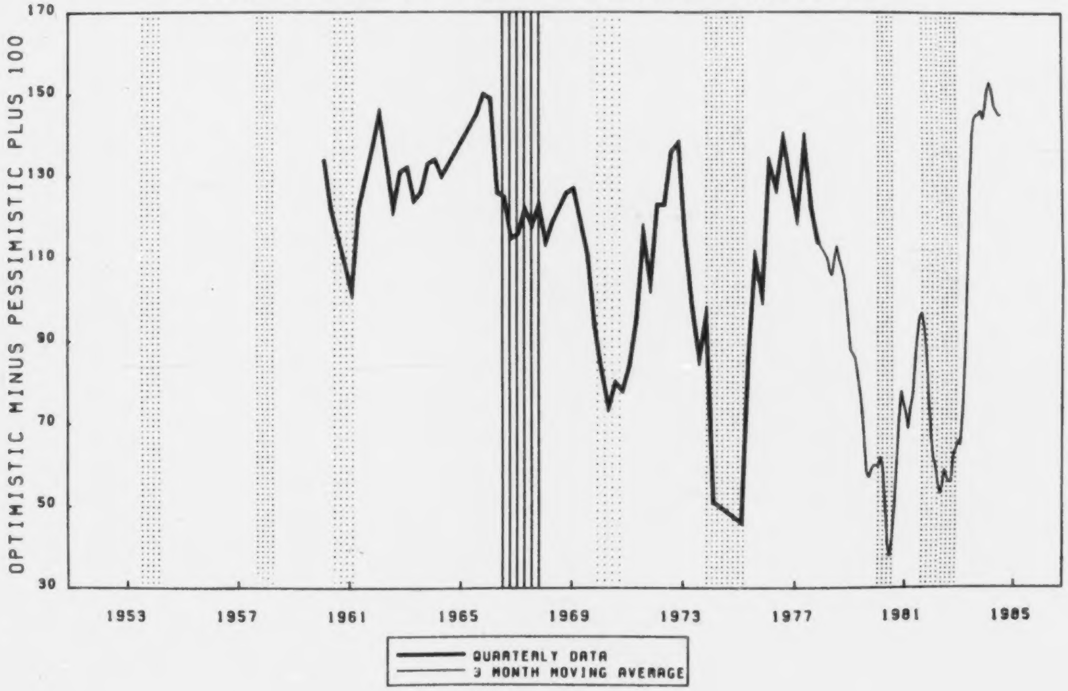


CHART 17 - HISTORICAL SERIES
TREND IN PAST AND EXPECTED BUSINESS CONDITIONS



## TABLE 17

## TREND IN PAST AND EXPECTED CHANGES IN BUSINESS CONDITIONS

| | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 | July 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| TREND: | | | | | | | | | | | | | |
| Continuous increase (a) | 39% | 38% | 34% | 39% | 36% | 38% | 41% | 32% | 31% | 25% | 27% | 25% | 25% |
| Intermittent increase (b) | 24 | 27 | 28 | 26 | 27 | 30 | 31 | 34 | 32 | 39 | 36 | 37 | 38 |
| Remain unchanged (c) | 5 | 6 | 7 | 5 | 4 | 6 | 4 | 5 | 6 | 7 | 7 | 7 | 4 |
| Intermittent decline (d) | 15 | 12 | 12 | 13 | 17 | 12 | 10 | 12 | 14 | 10 | 13 | 11 | 12 |
| Continuous decline (e) | 5 | 6 | 6 | 6 | 4 | 4 | 4 | 4 | 4 | 7 | 5 | 7 | 6 |
| Mixed change (f) | 9 | 9 | 10 | 7 | 9 | 7 | 7 | 10 | 10 | 9 | 10 | 9 | 9 |
| DK,NA | 3 | 2 | 3 | 4 | 3 | 3 | 3 | 3 | 3 | 3 | 2 | 4 | 6 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 | 690 | 680 | 656 |

Combination of the responses to the questions on Tables 14 and 15.

Key: (a) Better than a year ago/Better a year from now
(b) Better/Same or Same/Better
(c) Same/Same
(d) Worse/Same or Same/Worse
(e) Worse/Worse
(f) Worse/Better or Better/Worse

CHART 18 - RECENT CHANGES

BUSINESS CONDITIONS EXPECTED DURING THE NEXT TWELVE MONTHS

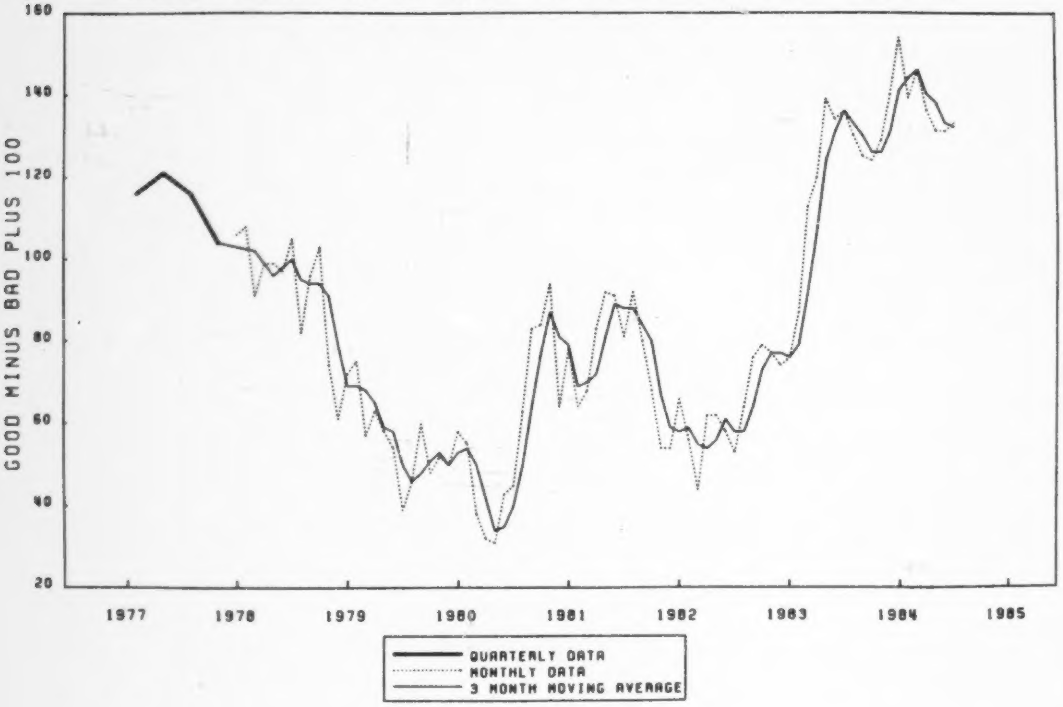
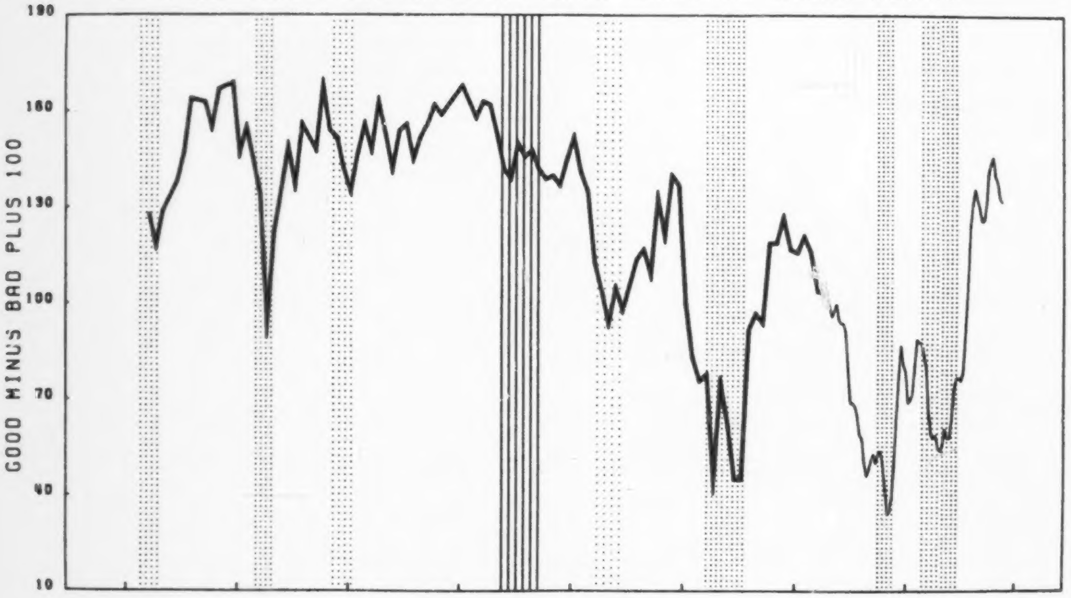


CHART 18 - HISTORICAL SERIES

BUSINESS CONDITIONS EXPECTED DURING THE NEXT TWELVE MONTHS



## TABLE 18

## BUSINESS CONDITIONS EXPECTED DURING THE NEXT 12 MONTHS

| | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 | July 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| GOOD TIMES | 63% | 60% | 58% | 58% | 59% | 67% | 73% | 65% | 69% | 63% | 60% | 60% | 61% |
| UNCERTAIN; GOOD & BAD | 3 | 3 | 2 | 3 | 3 | 2 | 2 | 2 | 2 | 3 | 3 | 2 | 2 |
| BAD TIMES | 27 | 30 | 33 | 34 | 30 | 27 | 19 | 26 | 23 | 27 | 29 | 29 | 28 |
| DON'T KNOW | 6 | 5 | 5 | 4 | 6 | 3 | 5 | 5 | 4 | 5 | 5 | 6 | 6 |
| NOT ASCERTAINED | 1 | 2 | 2 | 1 | 2 | 1 | 1 | 2 | 2 | 2 | 3 | 3 | 3 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 | 690 | 680 | 656 |

The question was: "Now turning to business conditions in the country as a whole--do you think that during the next 12 months we'll have good times financially, or bad times or what?"

CHART 19 - RECENT CHANGES
BUSINESS CONDITIONS EXPECTED FOR THE NEXT FIVE YEARS

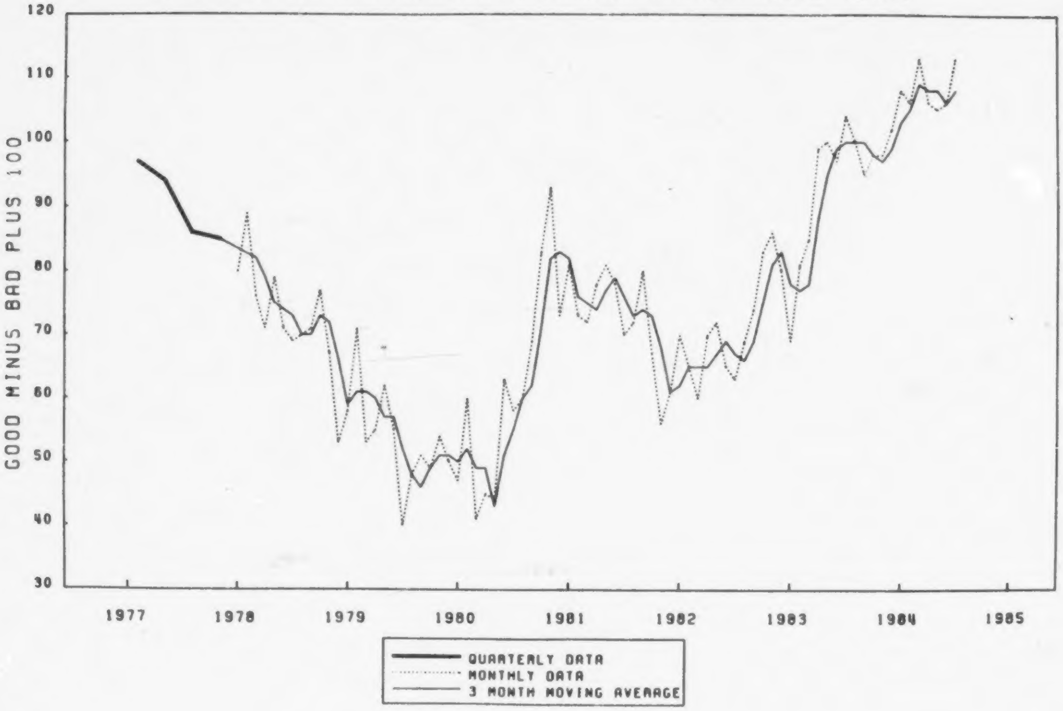
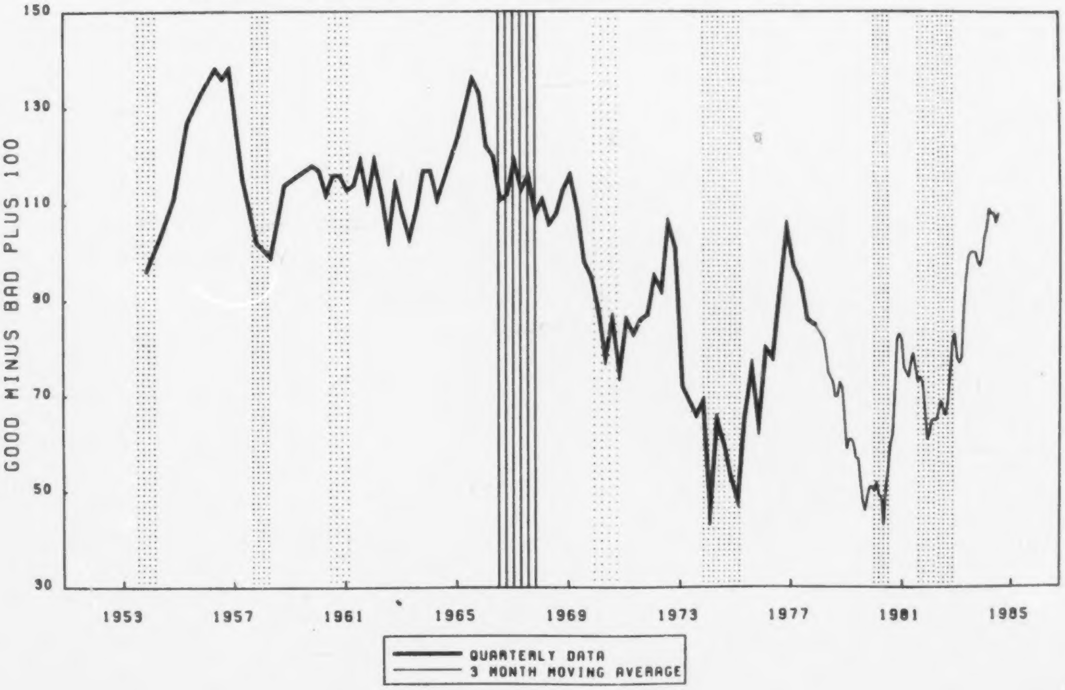


CHART 19 - HISTORICAL SERIES
BUSINESS CONDITIONS EXPECTED FOR THE NEXT FIVE YEARS



## TABLE 19

## BUSINESS CONDITIONS EXPECTED DURING THE NEXT FIVE YEARS

| | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 | July 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| GOOD TIMES | 39% | 37% | 37% | 39% | 39% | 39% | 44% | 42% | 47% | 41% | 43% | 42% | 44% |
| UNCERTAIN; GOOD & BAD | 20 | 22 | 19 | 17 | 15 | 21 | 17 | 16 | 15 | 19 | 15 | 17 | 19 |
| BAD TIMES | 35 | 37 | 42 | 41 | 41 | 37 | 36 | 36 | 34 | 35 | 38 | 36 | 31 |
| NOT ASCERTAINED | 6 | 4 | 2 | 3 | 5 | 3 | 3 | 6 | 4 | 5 | 4 | 5 | 6 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 | 690 | 680 | 656 |

The question was: "Looking ahead, which would you say is more likely--that in the country as a whole we'll have continuous good times during the next 5 years or so, or that we will have periods of widespread unemployment or depression, or what?"

CHART 20 - RECENT CHANGES
EXPECTED CHANGE IN UNEMPLOYMENT

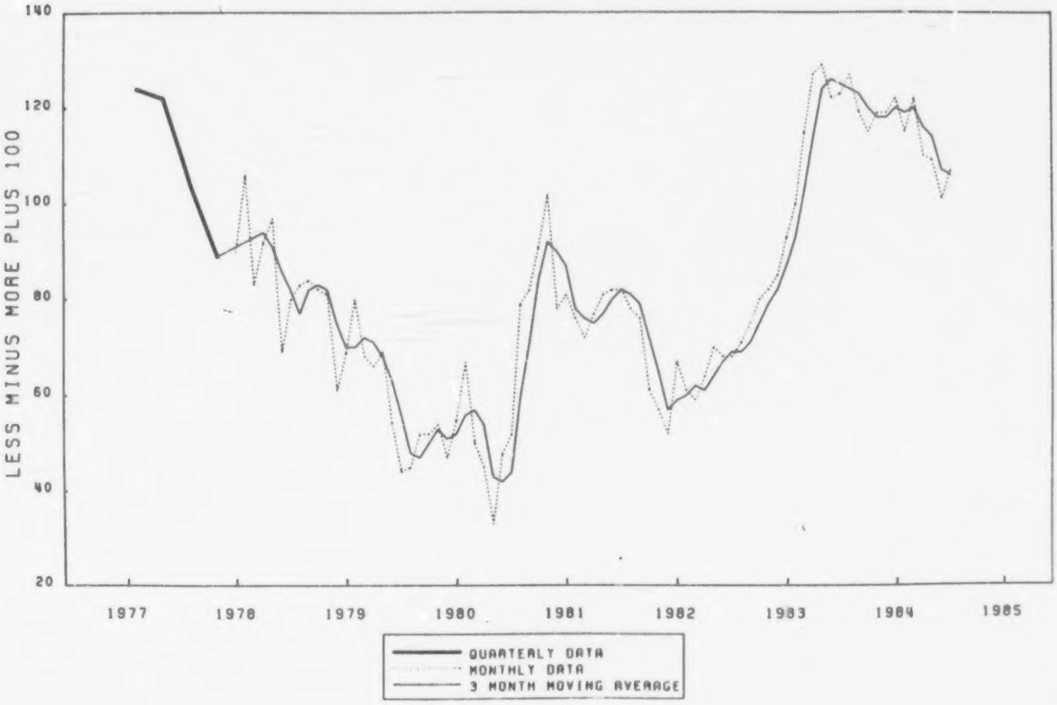
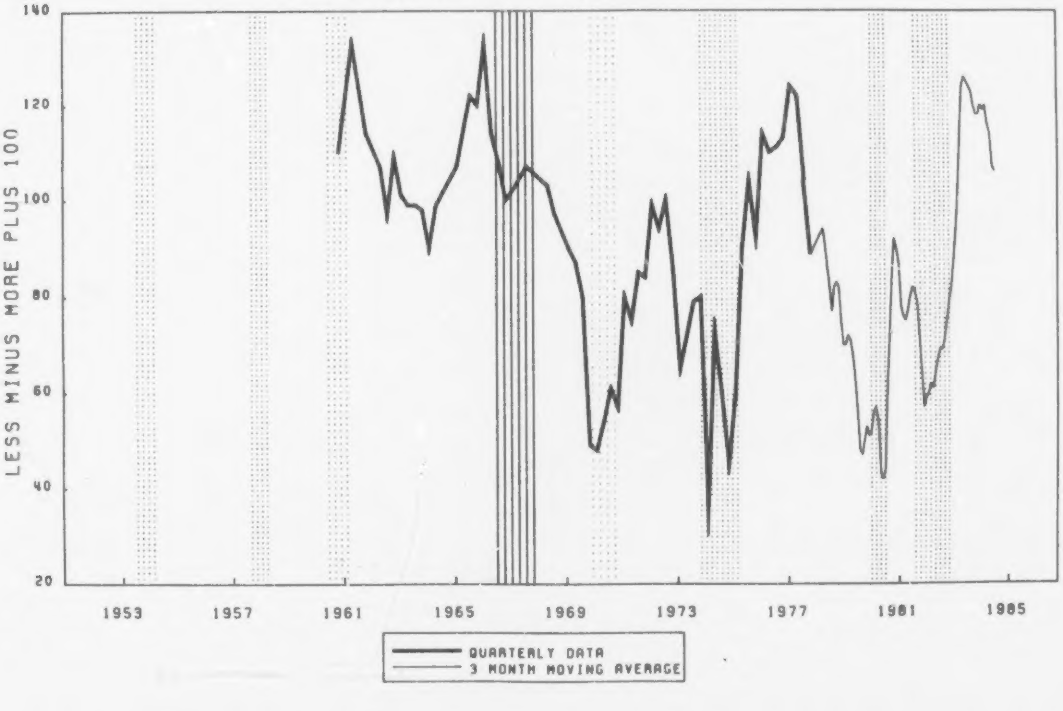


CHART 20 - HISTORICAL SERIES
EXPECTED CHANGE IN UNEMPLOYMENT



## TABLE 20

## EXPECTED CHANGE IN UNEMPLOYMENT

| | July 1983 | Aug 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 | July 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| LESS | 39% | 42% | 36% | 35% | 35% | 36% | 36% | 31% | 38% | 28% | 29% | 24% | 26% |
| SAME | 44 | 40 | 46 | 44 | 47 | 45 | 48 | 50 | 45 | 52 | 51 | 52 | 53 |
| MORE | 16 | 15 | 17 | 20 | 16 | 17 | 14 | 16 | 16 | 18 | 20 | 23 | 19 |
| DK,NA | 1 | 3 | 1 | 1 | 2 | 2 | 2 | 3 | 1 | 2 | * | 1 | 2 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 | 690 | 680 | 656 |

The question was: "How about people out of work during the coming 12 months--do you think that there will be more unemployment than now, about the same, or less?"

* : Less than half of one percent.

CHART 21 - RECENT CHANGES
EXPECTED CHANGE IN INTEREST RATES

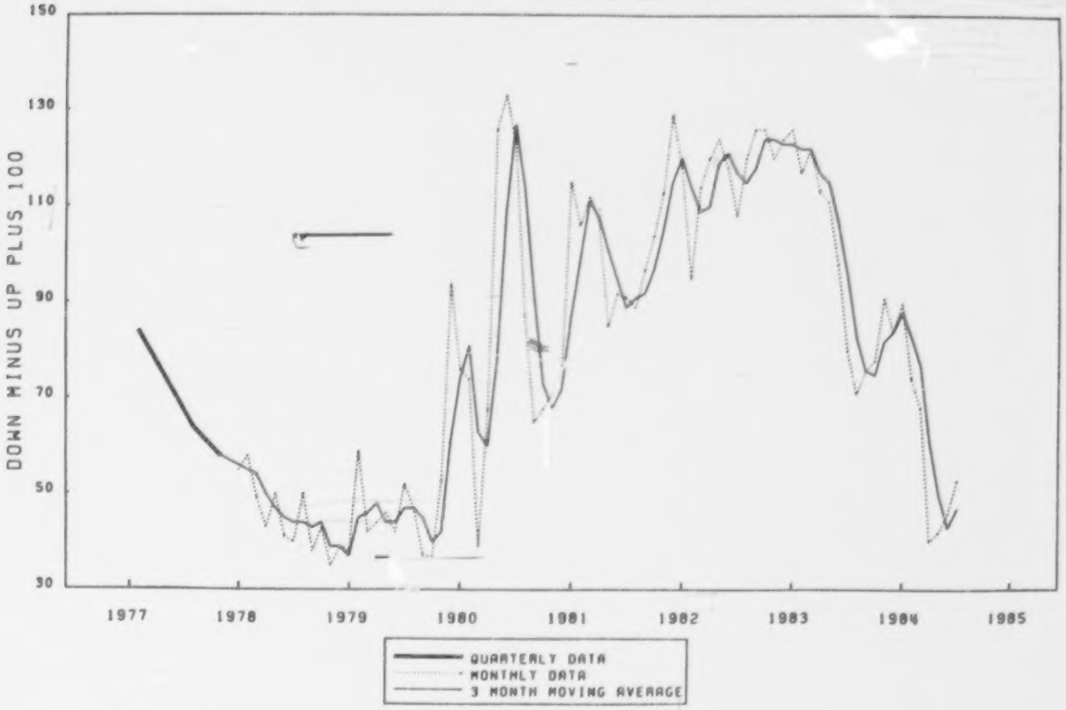
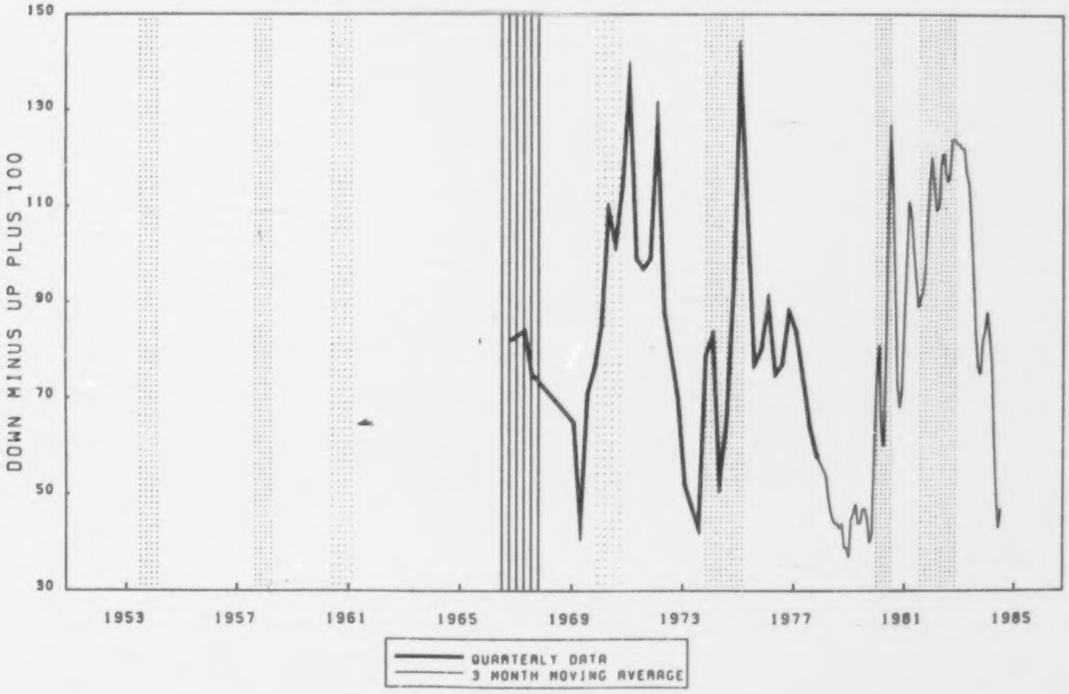


CHART 21 - HISTORICAL SERIES
EXPECTED CHANGE IN INTEREST RATES



## TABLE 21

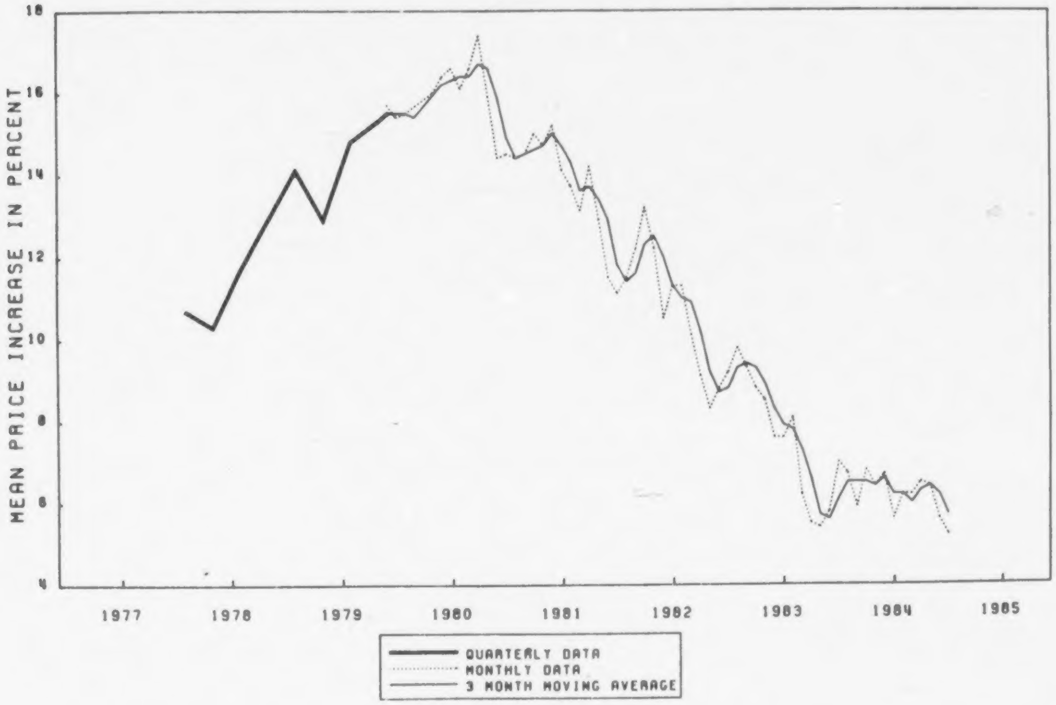
## EXPECTED CHANGE IN INTEREST RATES

| | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 | July 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| GO UP | 40% | 47% | 44% | 43% | 33% | 37% | 32% | 42% | 45% | 68% | 66% | 64% | 58% |
| STAY THE SAME | 37 | 32 | 33 | 33 | 40 | 37 | 43 | 38 | 37 | 21 | 25 | 24 | 27 |
| GO DOWN | 20 | 18 | 20 | 21 | 24 | 21 | 22 | 16 | 13 | 8 | 8 | 10 | 11 |
| DK,NA | 3 | 3 | 3 | 3 | 3 | 5 | 3 | 4 | 5 | 3 | 1 | 2 | 4 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 | 690 | 680 | 656 |

The question was: "No one can say for sure, but what do you think will happen to interest rates for borrowing money during the next 12 months--will they go up, stay the same, or go down?"

CHART 22 -- RECENT CHANGES

CHANGE IN PRICES DURING THE LAST 12 MONTHS



## TABLE 22

## CHANGE IN PRICES DURING THE LAST 12 MONTHS

| | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 | July 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| SAME OR DOWN | 23% | 25% | 25% | 21% | 24% | 24% | 23% | 23% | 23% | 22% | 23% | 22% | 27% |
| GONE UP BY: | | | | | | | | | | | | | |
| 1-2% | 8 | 8 | 11 | 8 | 9 | 8 | 12 | 9 | 8 | 10 | 10 | 12 | 8 |
| 3-4% | 14 | 14 | 13 | 14 | 13 | 15 | 16 | 14 | 16 | 14 | 14 | 17 | 17 |
| 5% | 13 | 16 | 15 | 16 | 15 | 15 | 17 | 17 | 15 | 17 | 17 | 16 | 16 |
| 6-9% | 11 | 8 | 7 | 11 | 8 | 8 | 8 | 9 | 10 | 11 | 9 | 8 | 8 |
| 10-14% | 13 | 13 | 12 | 14 | 14 | 11 | 9 | 14 | 12 | 9 | 13 | 12 | 11 |
| 15% or more | 11 | 11 | 9 | 11 | 9 | 10 | 7 | 9 | 9 | 12 | 10 | 8 | 8 |
| DK how much up | 6 | 5 | 7 | 4 | 7 | 8 | 7 | 5 | 7 | 5 | 4 | 5 | 4 |
| DK,NA | 1 | * | 1 | 1 | 1 | 1 | 1 | * | * | * | * | * | 1 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| MEAN INCREASE | 7.0 | 6.7 | 5.9 | 6.8 | 6.4 | 6.7 | 5.6 | 6.2 | 6.2 | 6.5 | 6.4 | 5.6 | 5.2 |
| VARIANCE | 88 | 93 | 71 | 81 | 76 | 90 | 69 | 68 | 72 | 75 | 78 | 54 | 48 |
| CASES | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 | 690 | 680 | 656 |

The questions were: "During the last 12 months, have prices of the things you buy remained unchanged, or have they gone up, or have they gone down?" and "By about what percent do you think prices have gone up,on the average, during the last 12 months?"

* : Less than half of one percent.

CHART 23 - RECENT CHANGES
MEAN EXPECTED PRICE INCREASE OVER THE NEXT 12 MONTHS

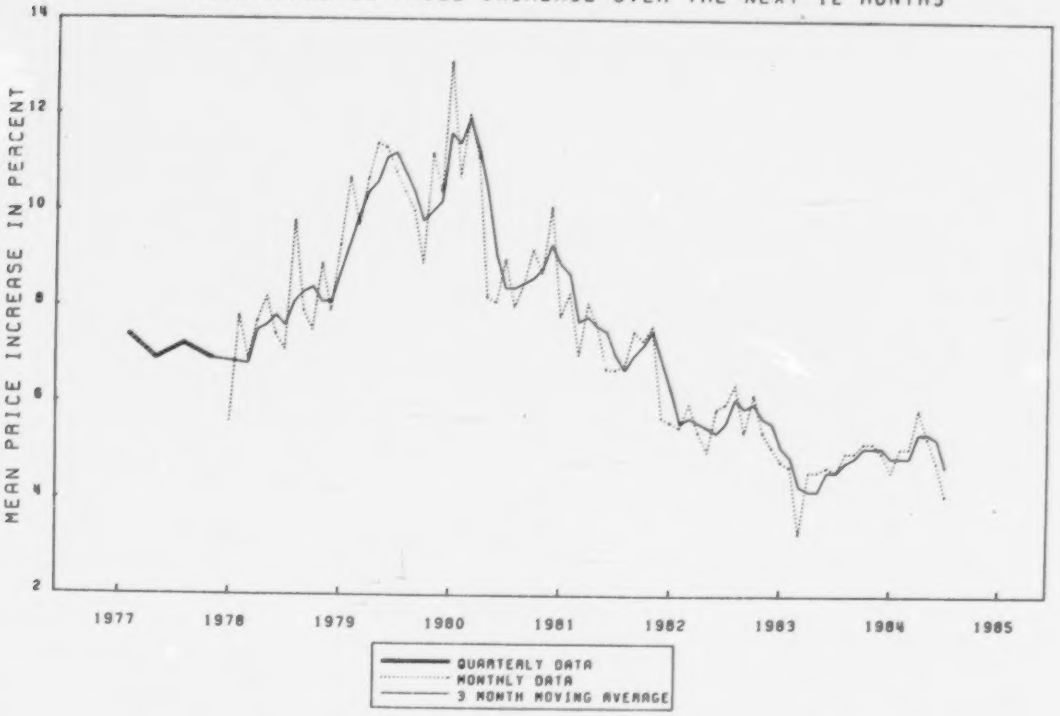
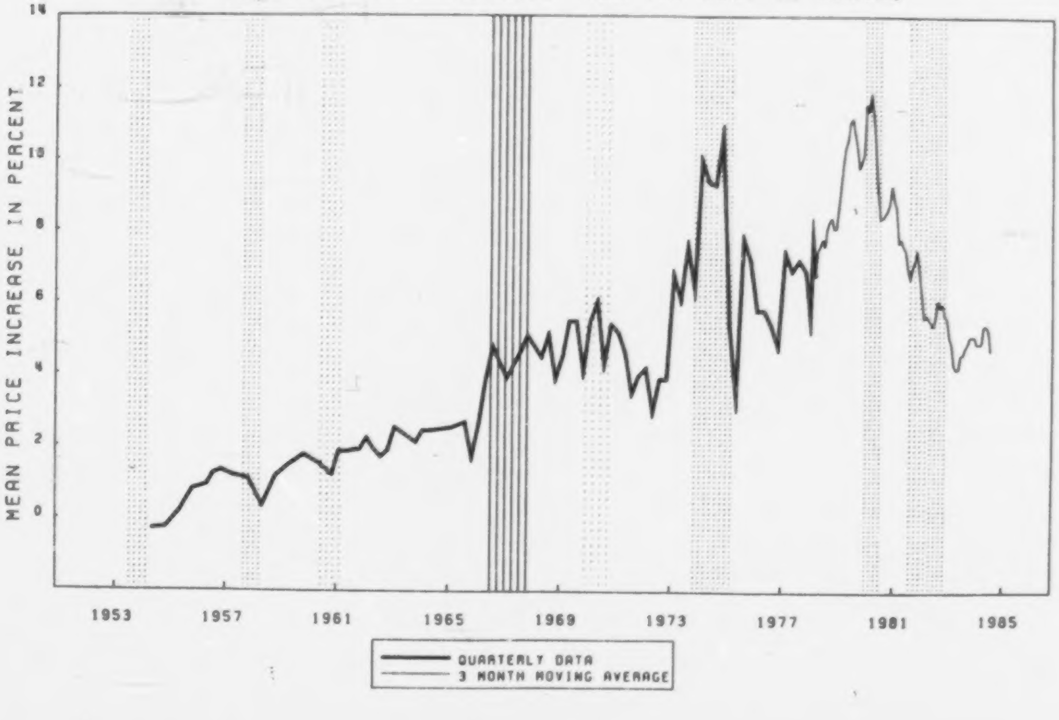


CHART 23 - HISTORICAL SERIES
MEAN EXPECTED PRICE INCREASE OVER THE NEXT 12 MONTHS



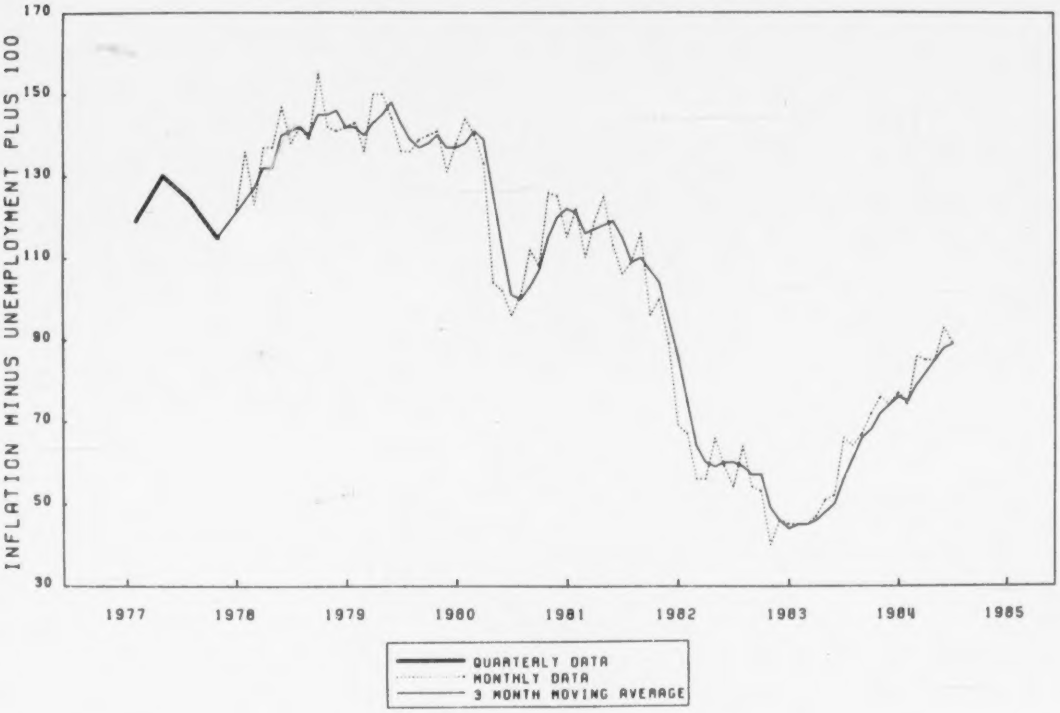
## TABLE 23

## EXPECTED CHANGE IN PRICES DURING THE NEXT 12 MONTHS

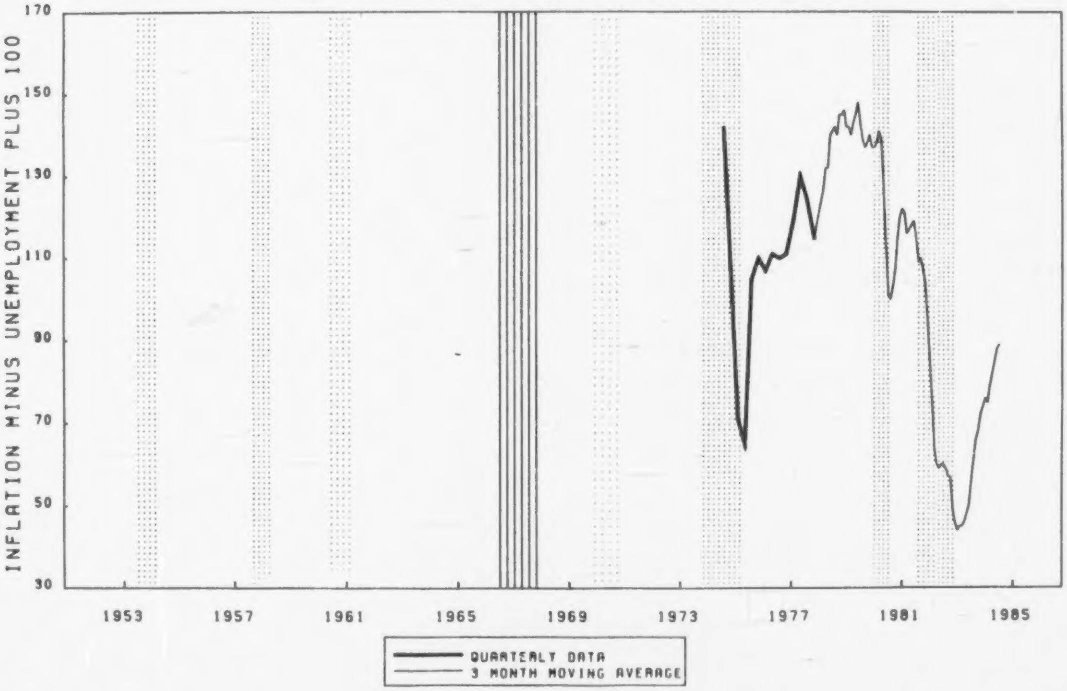
| | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 | July 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| SAME OR DOWN | 29% | 23% | 28% | 24% | 25% | 23% | 25% | 23% | 24% | 19% | 19% | 19% | 8% |
| WILL GO UP BY: | | | | | | | | | | | | | |
| 1-2% | 12 | 14 | 13 | 12 | 12 | 12 | 13 | 14 | 14 | 13 | 15 | 14 | 15 |
| 3-4% | 15 | 16 | 14 | 15 | 14 | 15 | 20 | 19 | 16 | 17 | 15 | 16 | 17 |
| 5% | 15 | 16 | 16 | 15 | 16 | 17 | 13 | 19 | 15 | 15 | 20 | 18 | 20 |
| 6-9% | 9 | 9 | 7 | 10 | 9 | 8 | 9 | 6 | 10 | 12 | 11 | 11 | 9 |
| 10-14% | 9 | 9 | 10 | 11 | 11 | 11 | 10 | 8 | 11 | 11 | 9 | 13 | 9 |
| 15% or more | 6 | 6 | 7 | 8 | 6 | 5 | 4 | 6 | 5 | 8 | 6 | 4 | 6 |
| DK how much up | 3 | 5 | 4 | 4 | 5 | 7 | 4 | 4 | 4 | 3 | 4 | 4 | 2 |
| DK,NA | 2 | 2 | 1 | 1 | 2 | 2 | 2 | 1 | 1 | 2 | 1 | 1 | 9 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| MEAN INCREASE | 4.6 | 5.0 | 5.0 | 5.2 | 5.2 | 5.0 | 4.6 | 5.1 | 5.1 | 5.9 | 5.3 | 4.8 | 4.1 |
| VARIANCE | 44 | 47 | 51 | 36 | 54 | 44 | 40 | 51 | 55 | 57 | 49 | 27 | 33 |
| CASES | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 | 690 | 680 | 656 |

The questions were: "During the next 12 months, do you think that prices in general will go up, or go down, or stay where they are now?" and "By about what percent do you expect prices to go up, on the average, during the next 12 months?"

## CHART 24 - RECENT CHANGES
## UNEMPLOYMENT OR INFLATION MORE SERIOUS



## CHART 24 - HISTORICAL SERIES
## UNEMPLOYMENT OR INFLATION MORE SERIOUS



## TABLE 24

## UNEMPLOYMENT OR INFLATION MORE SERIOUS ECONOMIC HARDSHIP

| | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 | July 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| UNEMPLOYMENT | 63% | 65% | 62% | 61% | 57% | 59% | 58% | 59% | 52% | 53% | 54% | 51% | 51% |
| BOTH EQUALLY SERIOUS | 6 | 5 | 8 | 5 | 7 | 6 | 4 | 5 | 7 | 7 | 6 | 3 | 7 |
| INFLATION | 29 | 29 | 29 | 33 | 33 | 33 | 35 | 33 | 38 | 38 | 39 | 44 | 40 |
| DK,NA | 2 | 1 | 1 | 1 | 3 | 2 | 3 | 3 | 3 | 2 | 1 | 2 | 2 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 | 690 | 680 | 656 |

The question was: "Which of the two problems--unemployment or inflation--do you think will cause the more serious economic hardship for people during the next year or so?"

CHART 25 - RECENT CHANGES
OPINIONS ABOUT THE GOVERNMENT'S ECONOMIC POLICY

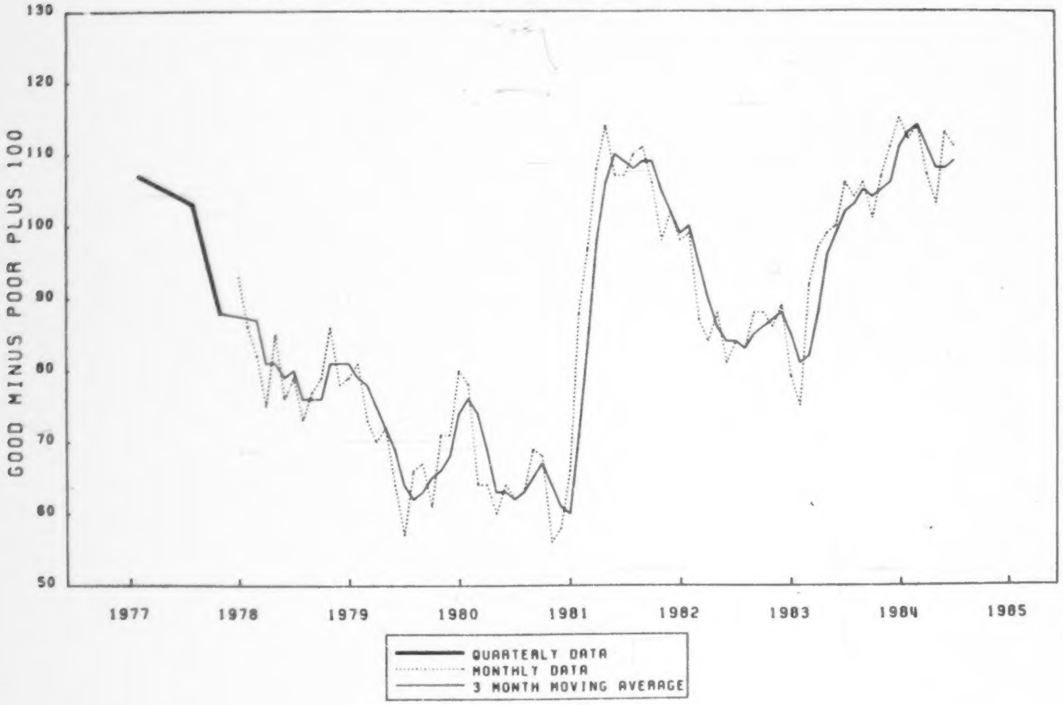
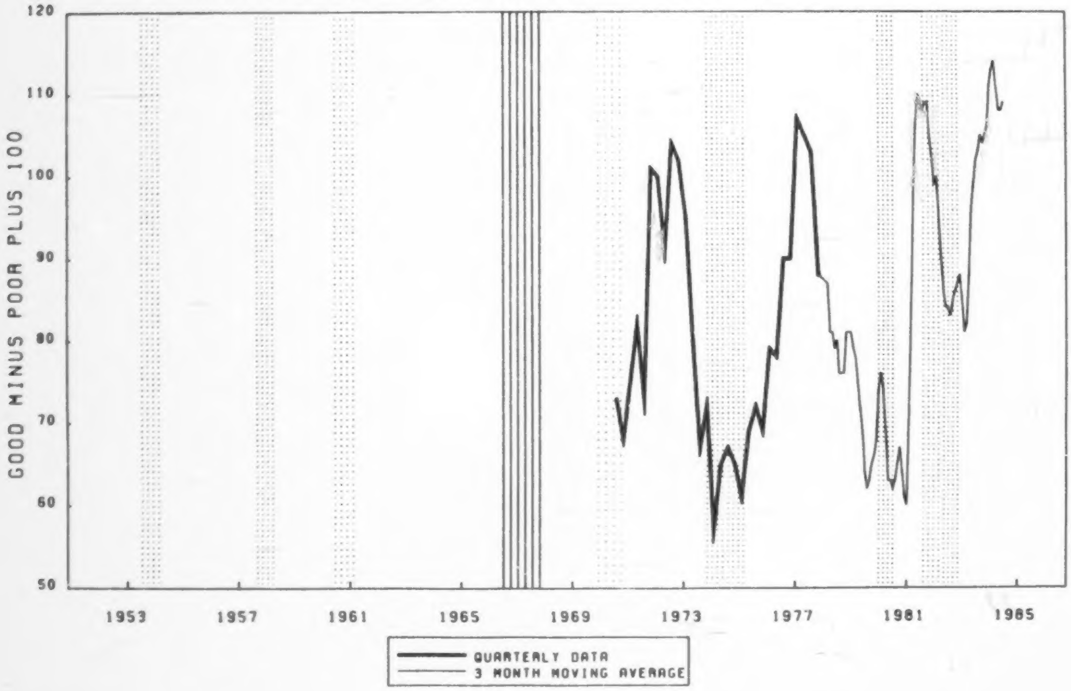


CHART 25 - HISTORICAL SERIES
OPINIONS ABOUT THE GOVERNMENT'S ECONOMIC POLICY



## TABLE 25

## OPINIONS ABOUT THE GOVERNMENT'S ECONOMIC POLICY

| | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 | July 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| A GOOD JOB | 27% | 27% | 27% | 25% | 27% | 29% | 31% | 32% | 33% | 27% | 25% | 31% | 30% |
| ONLY FAIR | 51 | 48 | 50 | 50 | 49 | 51 | 52 | 45 | 47 | 50 | 52 | 49 | 48 |
| A POOR JOB | 21 | 23 | 21 | 24 | 20 | 18 | 16 | 20 | 19 | 20 | 22 | 18 | 19 |
| DK,NA | 1 | 2 | 2 | 1 | 4 | 2 | 1 | 3 | 1 | 3 | 1 | 2 | 3 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 | 690 | 680 | 656 |

The question was: "As to the economic policy of the government--I mean steps taken to fight inflation or unemployment--would you say the government is doing a good job, only fair, or a poor job?"

CHART 26 - RECENT CHANGES
BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS

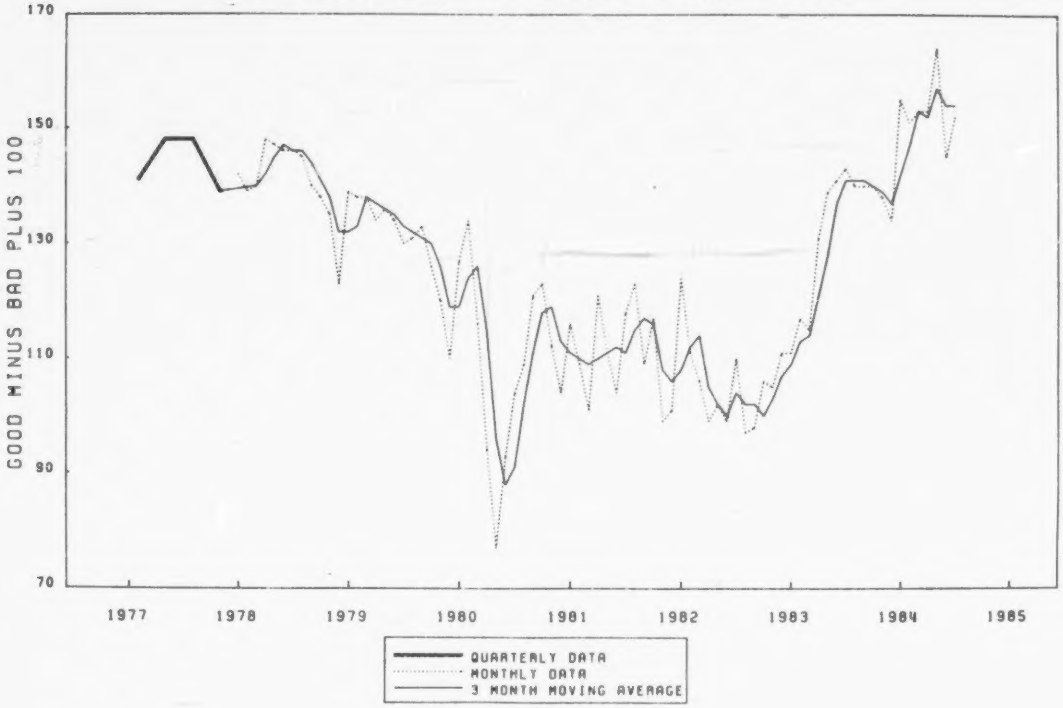


CHART 26 - HISTORICAL SERIES
BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS

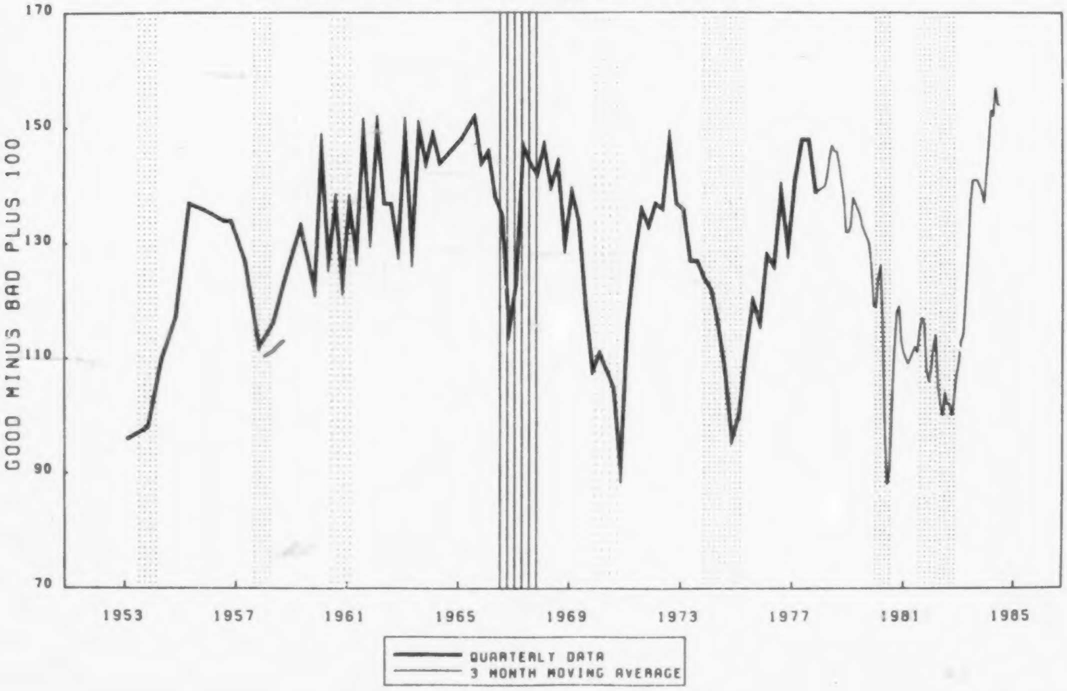


TABLE 26

BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS

| | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 | July 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| GOOD TIME TO BUY | 67% | 64% | 66% | 65% | 64% | 61% | 73% | 70% | 72% | 72% | 77% | 67% | 71% |
| UNCERTAIN, DEPENDS | 9 | 12 | 8 | 10 | 10 | 12 | 9 | 11 | 9 | 9 | 10 | 11 | 10 |
| BAD TIME TO BUY | 24 | 24 | 26 | 25 | 26 | 27 | 18 | 19 | 19 | 19 | 13 | 22 | 19 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 | 690 | 680 | 656 |

The question was: "About the big things people buy for their homes--such as furniture, a refrigerator, stove, television, and things like that. Generally speaking, do you think now is a good or a bad time for people to buy major household items?"

CHART 27A - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR DURABLES

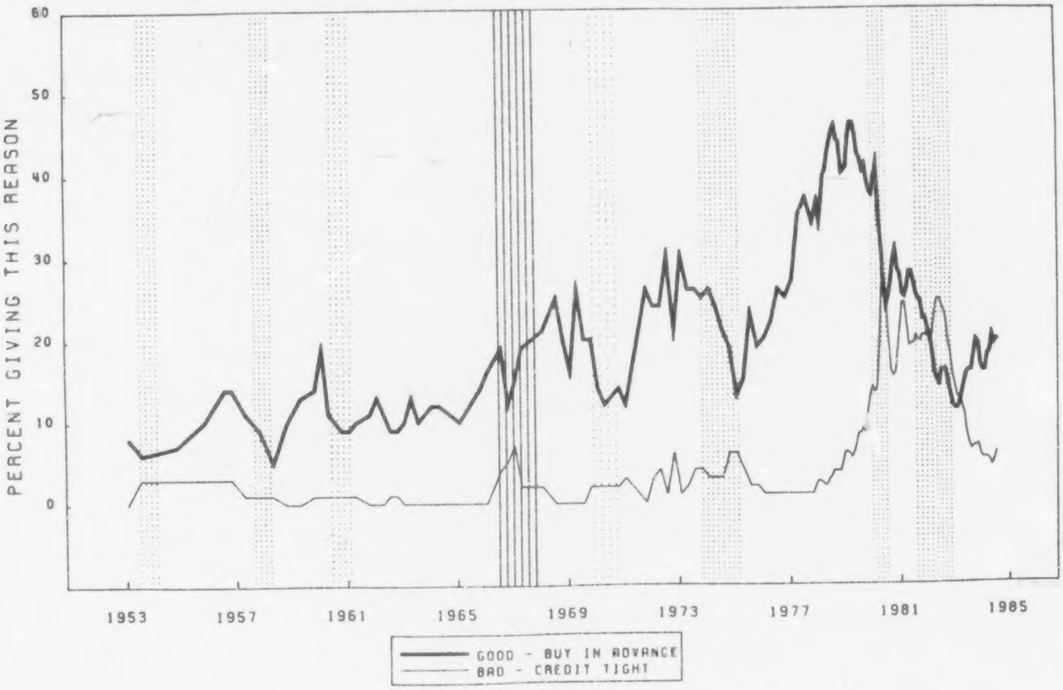
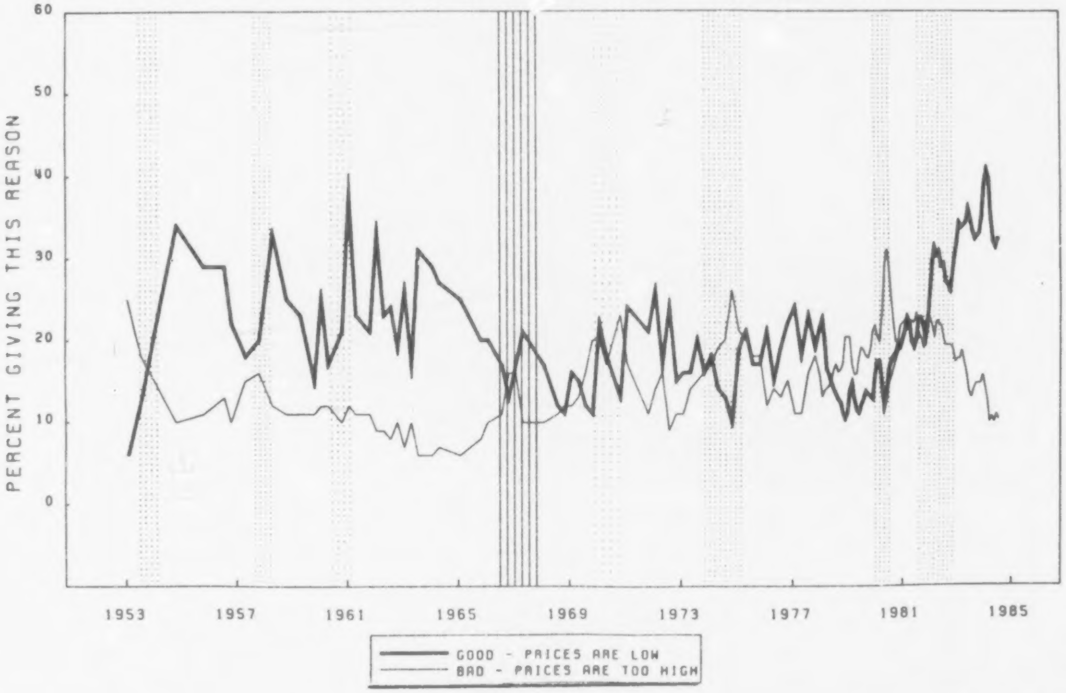


CHART 27B - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR DURABLES



## TABLE 27

## SELECTED REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS +

| | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 | July 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| GOOD TIME TO BUY: | | | | | | | | | | | | | |
| Prices are low; good buys available | 32% | 33% | 32% | 33% | 34% | 38% | 45% | 39% | 35% | 30% | 31% | 33% | 33% |
| Prices won't come down; are going higher | 16 | 17 | 21 | 21 | 16 | 13 | 19 | 16 | 19 | 20 | 22 | 16 | 21 |
| Interest rates low; credit is easy | 13 | 12 | 12 | 7 | 8 | 7 | 9 | 11 | 10 | 14 | 11 | 11 | 10 |
| BAD TIME TO BUY: | | | | | | | | | | | | | |
| Prices are high | 14 | 15 | 15 | 14 | 15 | 18 | 10 | 10 | 10 | 12 | 8 | 13 | 10 |
| Interest rates are high; credit is tight | 7 | 6 | 7 | 7 | 7 | 3 | 6 | 7 | 3 | 5 | 5 | 5 | 8 |
| Lack of purchasing power | 9 | 11 | 11 | 12 | 8 | 10 | 7 | 7 | 9 | 6 | 5 | 7 | 5 |

Responses to the query: "Why do you say so?" following the question on Table 26.

+ : May add to more than 100% due to multiple mentions.

CHART 28 - RECENT CHANGES
BUYING CONDITIONS FOR HOUSES

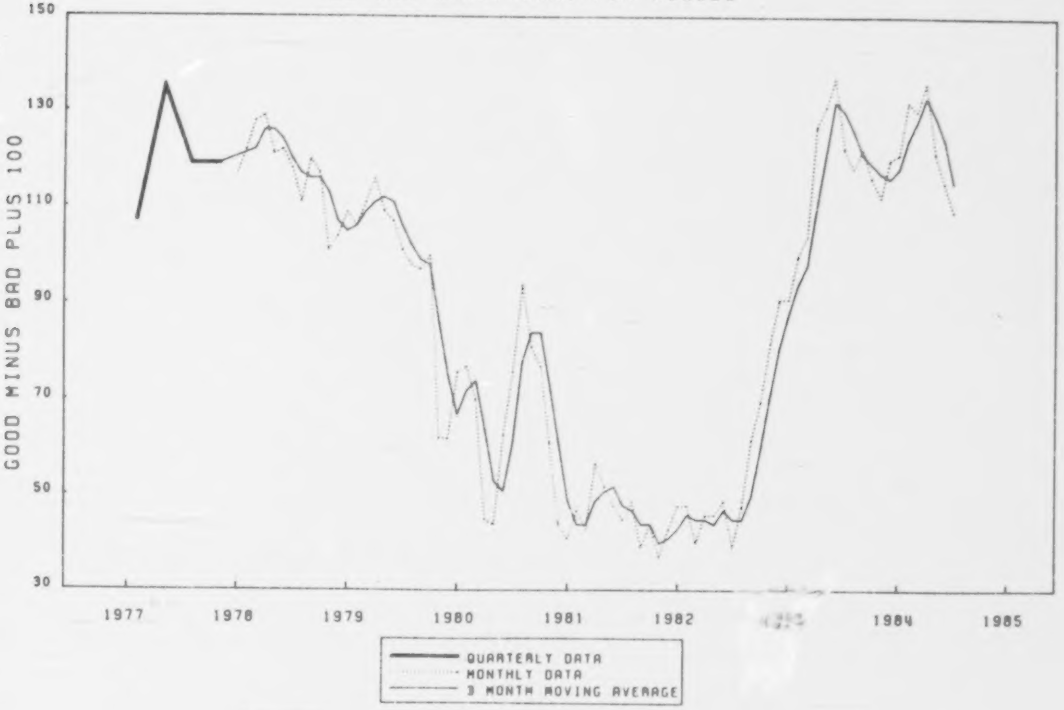
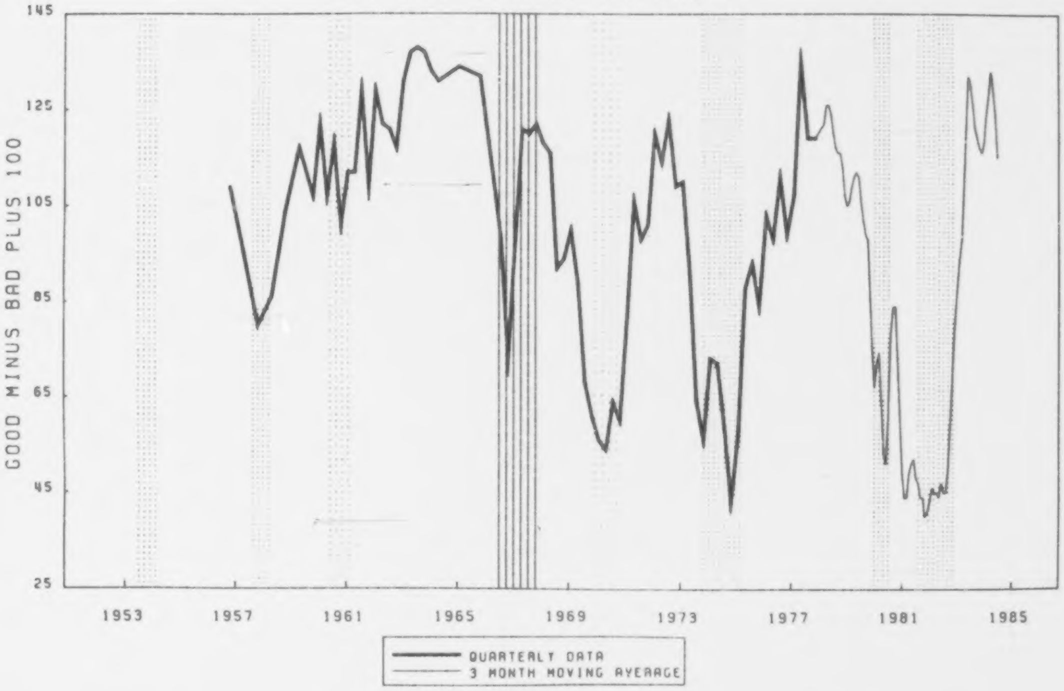


CHART 28 - HISTORICAL SERIES
BUYING CONDITIONS FOR HOUSES



## TABLE 28

## BUYING CONDITIONS FOR HOUSES

| | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 | July 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| GOOD TIME TO BUY | 59% | 57% | 59% | 55% | 53% | 57% | 59% | 63% | 62% | 66% | 58% | 55% | 52% |
| UNCERTAIN, DEPENDS | 4 | 4 | 4 | 6 | 6 | 6 | 3 | 6 | 6 | 4 | 5 | 5 | 5 |
| BAD TIME TO BUY | 37 | 39 | 37 | 39 | 41 | 37 | 38 | 31 | 32 | 30 | 37 | 40 | 43 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 | 690 | 680 | 656 |

The question was: "Generally speaking, do you think now is a good time or a bad time to buy a house?"

CHART 29A - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR HOUSES

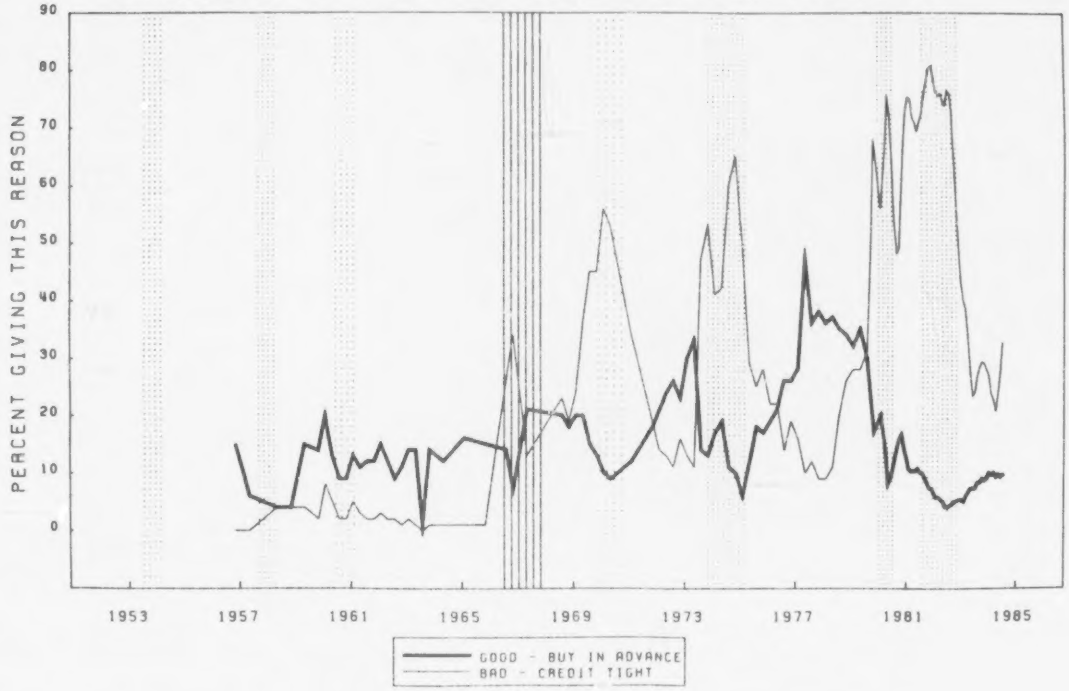


CHART 29B - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR HOUSES

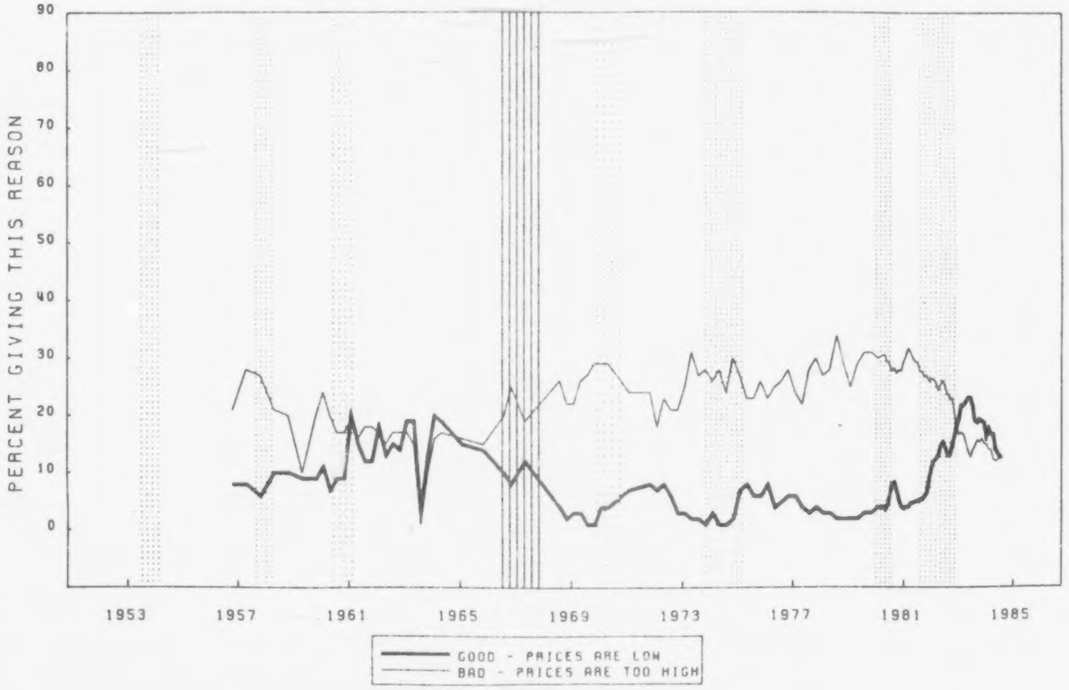


TABLE 29

SELECTED REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR HOUSES +

| | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 | July 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| GOOD TIME TO BUY: | | | | | | | | | | | | | |
| Prices are low; good buys available | 20% | 17% | 19% | 22% | 16% | 18% | 15% | 20% | 15% | 15% | 12% | 13% | 13% |
| Prices won't come down; are going higher | 7 | 10 | 8 | 9 | 9 | 9 | 12 | 8 | 10 | 10 | 9 | 9 | 11 |
| Interest rates low; credit is easy | 49 | 44 | 47 | 38 | 40 | 41 | 41 | 50 | 49 | 52 | 44 | 38 | 37 |
| Good investment | 5 | 8 | 6 | 8 | 5 | 6 | 8 | 6 | 8 | 6 | 5 | 8 | 5 |
| BAD TIME TO BUY: | | | | | | | | | | | | | |
| Prices are high | 17 | 14 | 16 | 16 | 16 | 13 | 16 | 13 | 13 | 11 | 12 | 14 | 12 |
| Interest rates are high; credit is tight | 26 | 31 | 28 | 29 | 30 | 25 | 26 | 20 | 22 | 20 | 29 | 33 | 36 |
| Lack of purchasing power | 12 | 14 | 14 | 15 | 16 | 13 | 12 | 10 | 11 | 10 | 12 | 10 | 11 |

Responses to the query: "Why do you say so?" following the question on Table 28.

+ : May add to more than 100% due to multiple mentions.

CHART 30 - RECENT CHANGES
BUYING CONDITIONS FOR CARS

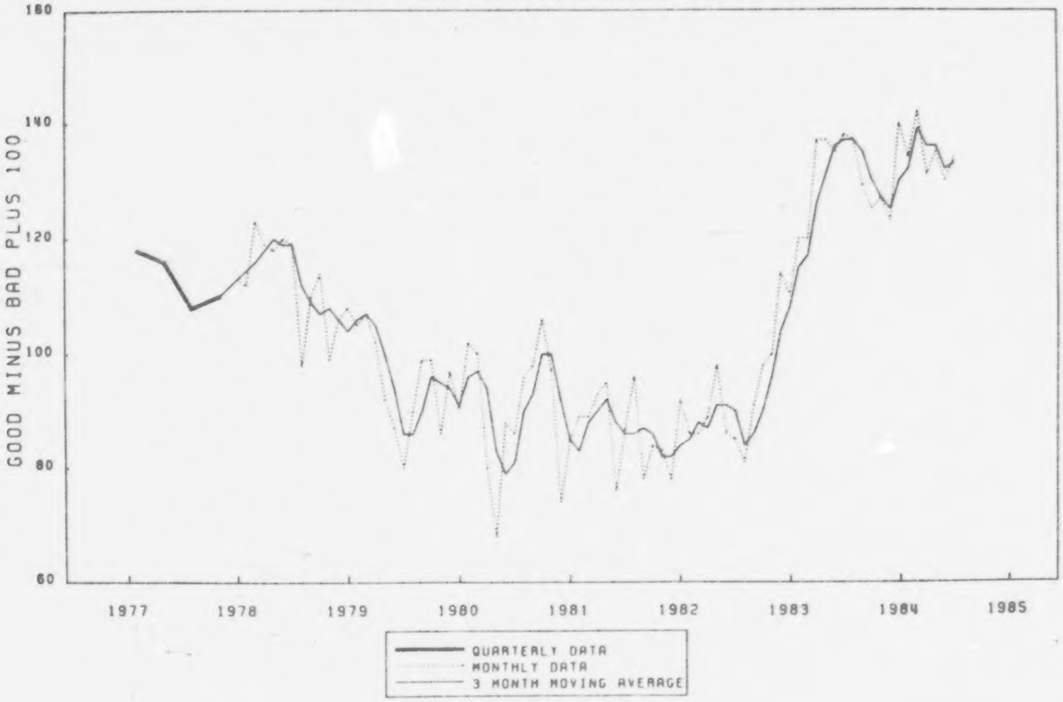
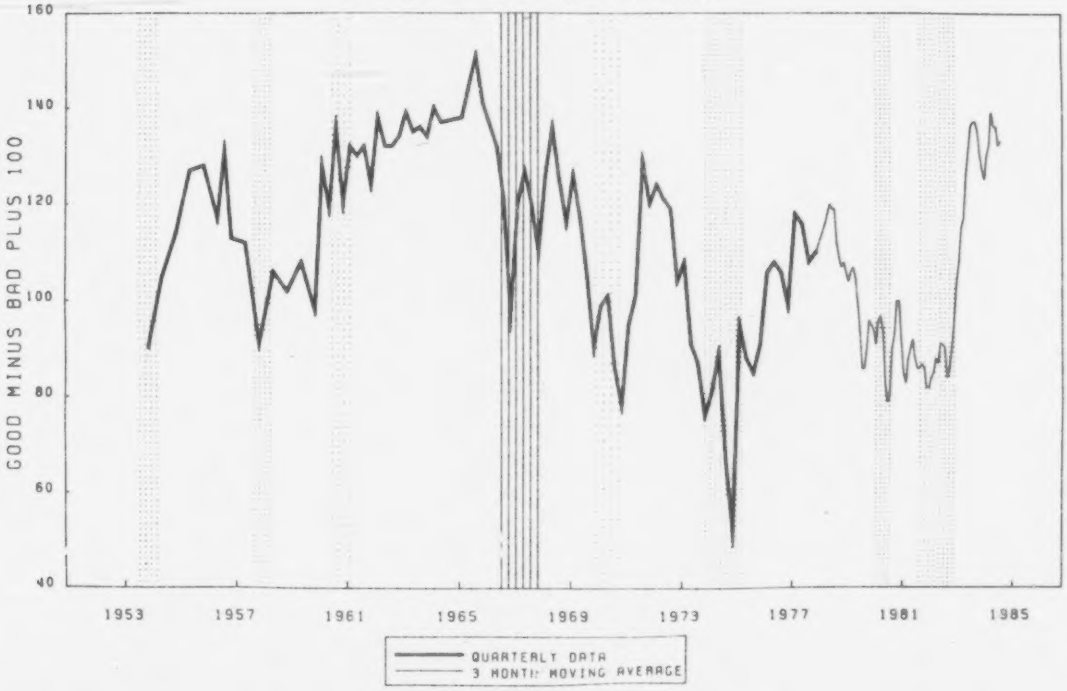


CHART 30 - HISTORICAL SERIES
BUYING CONDITIONS FOR CARS



## TABLE 30

## BUYING CONDITIONS FOR CARS

| | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 | July 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| GOOD TIME TO BUY | 65% | 65% | 61% | 59% | 59% | 56% | 64% | 62% | 66% | 60% | 63% | 60% | 62% |
| UNCERTAIN; DEPENDS | 8 | 7 | 7 | 7 | 9 | 11 | 12 | 10 | 10 | 11 | 9 | 10 | 10 |
| BAD TIME TO BUY | 27 | 28 | 32 | 34 | 32 | 33 | 24 | 28 | 24 | 29 | 28 | 30 | 28 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 | 690 | 680 | 656 |

The question was: "Speaking now of the automobile market--do you think the next 12 months or so will be a good time or a bad time to buy a car?"

CHART 31A - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR CARS

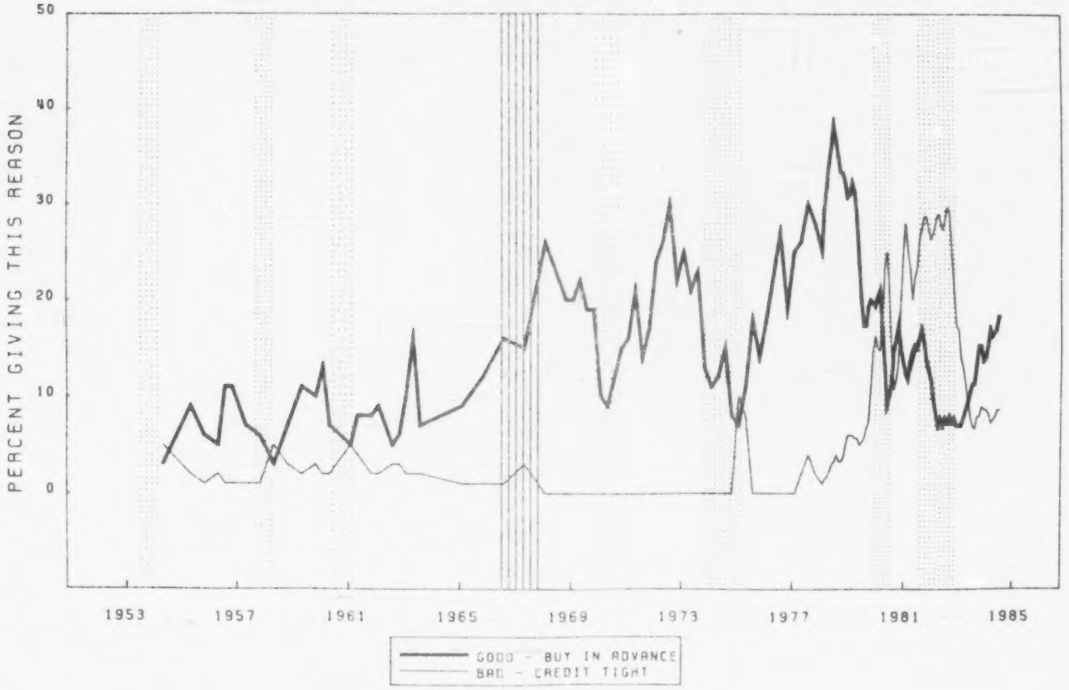


CHART 31B - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR CARS

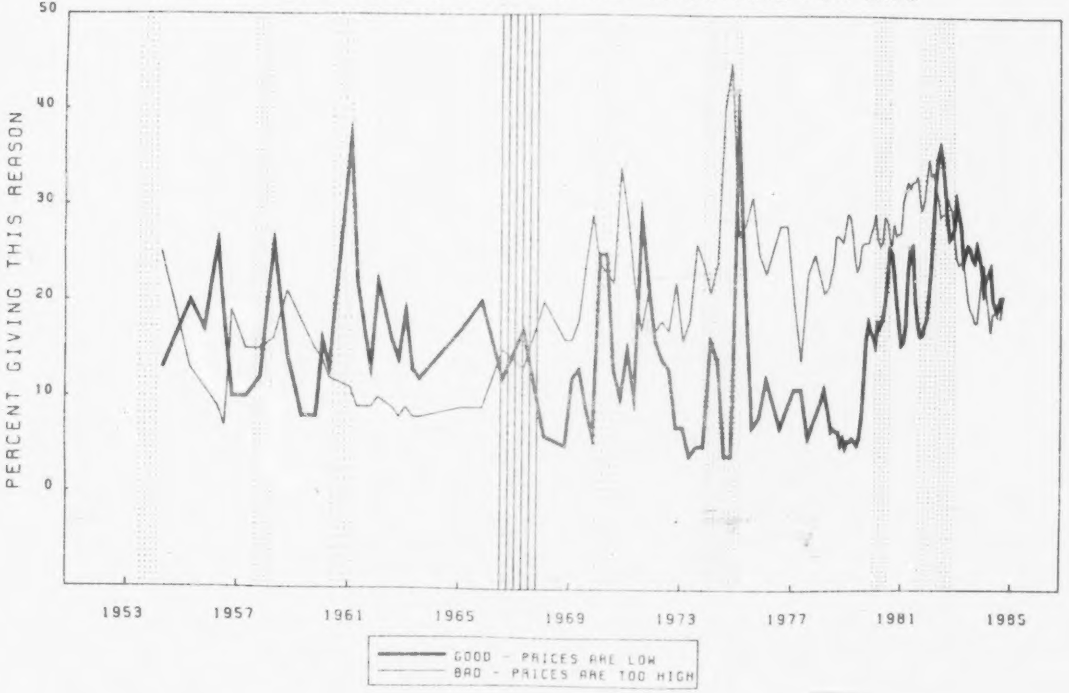


TABLE 31

SELECTED REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR CARS +

| | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 | July 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| GOOD TIME TO BUY: | | | | | | | | | | | | | |
| Prices are low; good buys available | 25% | 25% | 28% | 22% | 21% | 21% | 26% | 22% | 23% | 16% | 20% | 21% | 21% |
| Prices won't come down; are going higher | 11 | 12 | 17 | 17 | 12 | 12 | 18 | 16 | 17 | 16 | 17 | 18 | 20 |
| Interest rates low; credit is easy | 37 | 33 | 28 | 19 | 22 | 19 | 23 | 22 | 22 | 22 | 18 | 18 | 24 |
| New fuel efficient models | 2 | 1 | 2 | 2 | 2 | 2 | 1 | 2 | 1 | 1 | 3 | 1 | 1 |
| BAD TIME TO BUY: | | | | | | | | | | | | | |
| Prices are high | 18 | 16 | 20 | 25 | 23 | 24 | 16 | 18 | 17 | 22 | 18 | 20 | 20 |
| Interest rates are high; credit is tight | 8 | 6 | 10 | 8 | 9 | 9 | 8 | 8 | 6 | 9 | 9 | 8 | 9 |
| Lack of purchasing power | 7 | 9 | 6 | 8 | 6 | 5 | 3 | 5 | 5 | 4 | 5 | 4 | 4 |
| Price of gas; shortages | * | 1 | * | * | * | * | * | * | 1 | * | * | * | * |
| Poor selection; quality | 5 | 4 | 4 | 6 | 6 | 5 | 5 | 4 | 4 | 6 | 2 | 2 | 4 |

Responses to the query: "Why do you say so?" following the question on Table 30.

+ : May add to more than 100% due to multiple mentions.

* : Less than half of one percent.

CHART 32 - RECENT CHANGES
PLANS TO PURCHASE AN AUTOMOBILE DURING THE NEXT 12 MONTHS

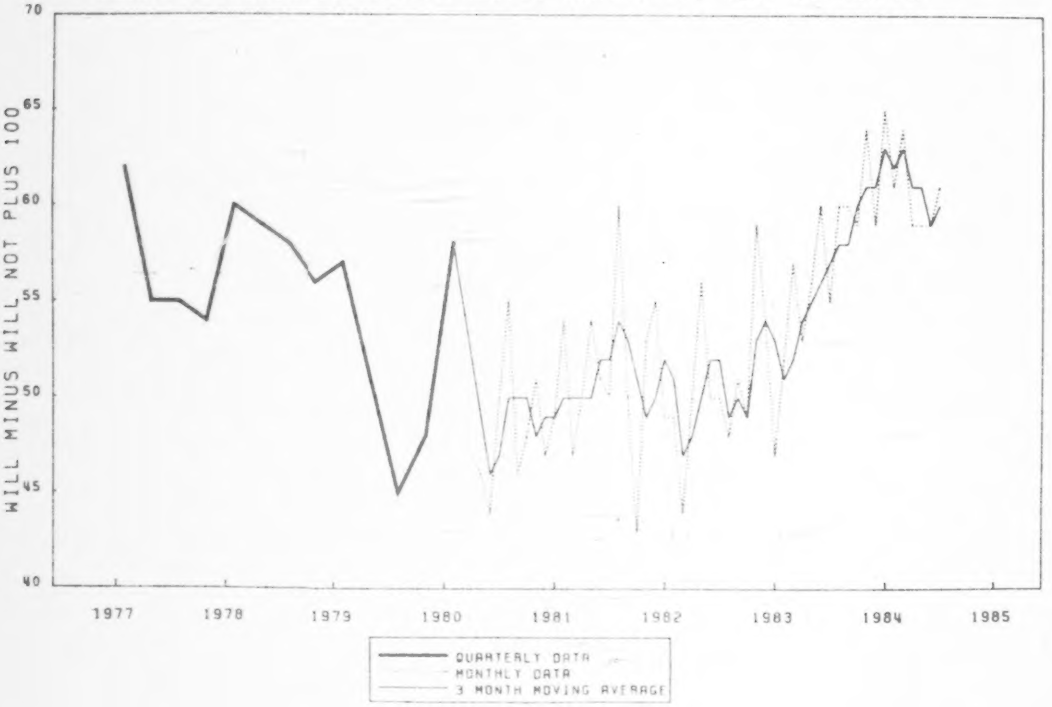
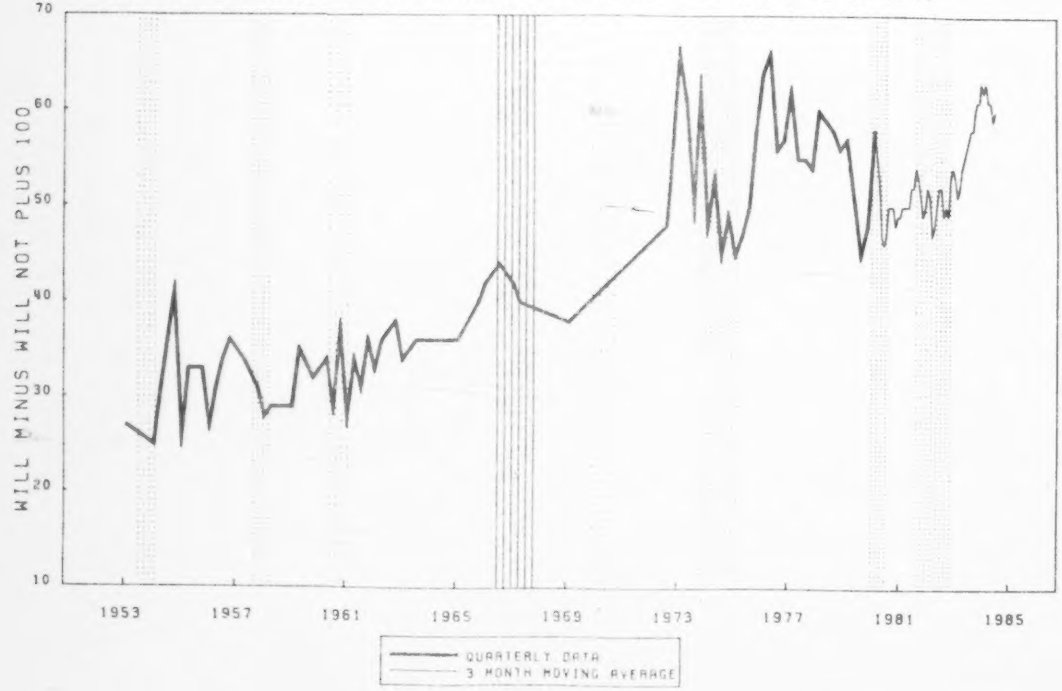


CHART 32 - HISTORICAL SERIES
PLANS TO PURCHASE AN AUTOMOBILE DURING THE NEXT 12 MONTHS



## TABLE 32

## PLANS TO PURCHASE AN AUTOMOBILE DURING THE NEXT 12 MONTHS

| | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 | July 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| PROBABLY WILL BUY | 18% | 21% | 21% | 21% | 22% | 20% | 23% | 21% | 22% | 21% | 19% | 20% | 20% |
| CHANCES ARE EVEN | 6 | 7 | 9 | 8 | 9 | 8 | 7 | 9 | 12 | 6 | 12 | 9 | 9 |
| PROBABLY WILL NOT BUY | 63 | 61 | 61 | 62 | 58 | 61 | 58 | 60 | 58 | 62 | 60 | 61 | 59 |
| DK,NA | 13 | 11 | 9 | 9 | 11 | 11 | 12 | 10 | 8 | 11 | 9 | 10 | 12 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 680 | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 | 690 | 680 | 656 |

The question was: "What do you think are the chances that you (or anyone else in your family living there) will buy or lease a car during the next 12 months--would you say you probably will, probably will not, or are the chances about even, or what?"

## TABLE 33

## CURRENT VEHICLE PURCHASE INTENTIONS

| | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 | July 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| PROPORTION WITH CURRENT PURCHASE INTENTIONS: | 24% | 28% | 30% | 29% | 31% | 28% | 30% | 30% | 34% | 27% | 31% | 29% | 29% |
| PURCHASE TYPE: | | | | | | | | | | | | | |
| Buy new | 11 | 15 | 13 | 17 | 17 | 16 | 15 | 14 | 16 | 13 | 15 | 16 | 15 |
| Buy used | 11 | 11 | 14 | 9 | 12 | 9 | 13 | 13 | 17 | 12 | 14 | 11 | 12 |
| Lease | 1 | 1 | 1 | 2 | 1 | 2 | 1 | 2 | 1 | 1 | 2 | 1 | 2 |
| DK,NA | 1 | 1 | 2 | 1 | 1 | 1 | 1 | 1 | * | 1 | * | 1 | * |
| PURCHASE TIMING: | | | | | | | | | | | | | |
| Next 3 months | 4 | 5 | 2 | 6 | 4 | 2 | 5 | 3 | 2 | 7 | 3 | 2 | 7 |
| Next 4-6 months | 6 | 4 | 7 | 8 | 5 | 4 | 10 | 7 | 10 | 6 | 9 | 8 | 6 |
| Next 7-9 months | 3 | 5 | 5 | 8 | 9 | 10 | 7 | 8 | 8 | 6 | 7 | 9 | 3 |
| 10 months or more | 6 | 7 | 9 | 4 | 8 | 8 | 4 | 5 | 8 | 4 | 6 | 4 | 7 |
| DK,NA | 5 | 7 | 7 | 3 | 5 | 4 | 4 | 7 | 6 | 4 | 6 | 6 | 6 |

If response was "PROBABLY WILL BUY" or "CHANCES ARE EVEN" in Table 32, then the questions were: "If you do buy or lease a car, would it be a new car, or a used car?" , "Would you buy or lease?" and "When do you think you might buy or lease a car?"

* : Less than half of one percent.

## TABLE 34

## FUTURE VEHICLE PURCHASE INTENTIONS

| | July 1983 | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 | July 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| PROPORTION WITH FUTURE PURCHASE INTENTIONS: | 63% | 61% | 61% | 62% | 58% | 61% | 58% | 60% | 58% | 62% | 60% | 61% | 59% |
| PURCHASE TYPE: | | | | | | | | | | | | | |
| Would buy new | 37 | 33 | 33 | 33 | 36 | 36 | 36 | 32 | 32 | 34 | 33 | 36 | 35 |
| Would buy used | 24 | 27 | 27 | 29 | 21 | 24 | 21 | 26 | 25 | 27 | 26 | 24 | 22 |
| DK,NA | 2 | 1 | 1 | * | 1 | 1 | 1 | 2 | 1 | 1 | 1 | 1 | 2 |
| PURCHASE TIMING: | | | | | | | | | | | | | |
| Less than 2 years | 8 | 6 | 8 | 6 | 5 | 7 | 5 | 8 | 7 | 10 | 5 | 7 | 5 |
| 2 years | 23 | 21 | 22 | 20 | 19 | 23 | 19 | 20 | 19 | 20 | 22 | 21 | 18 |
| 3 years | 9 | 9 | 10 | 11 | 10 | 9 | 10 | 9 | 9 | 9 | 9 | 8 | 10 |
| 4 years or more | 18 | 18 | 15 | 19 | 18 | 17 | 17 | 17 | 16 | 17 | 18 | 17 | 18 |
| Indefinite | 2 | 2 | 2 | * | 1 | 1 | 2 | 3 | 3 | 1 | 2 | 2 | 3 |
| DK,NA | 3 | 5 | 4 | 6 | 5 | 4 | 5 | 3 | 4 | 5 | 4 | 6 | 5 |

If response was "PROBABLY WILL NOT BUY" in Table 32, then the questions were: "If you were to buy a car, would it be a new car or a used car? and "How long do you think it may be before will buy or lease a car?"

* : Less than half of one percent.

# EXPLANATORY CHARTS

CHART 1 - RECENT CHANGES
THE INDEX OF CONSUMER SENTIMENT

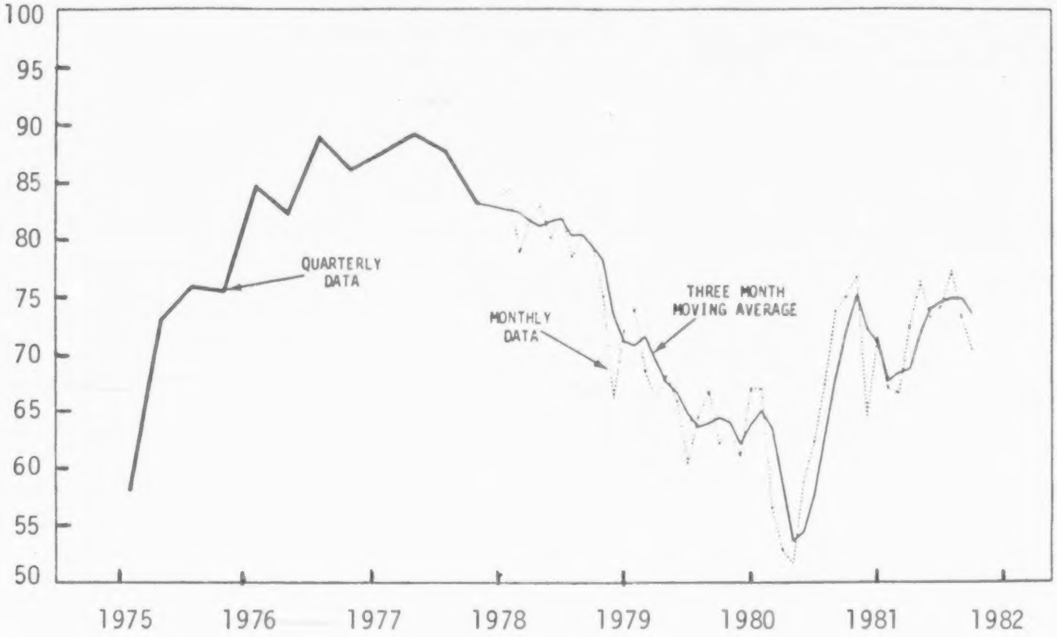
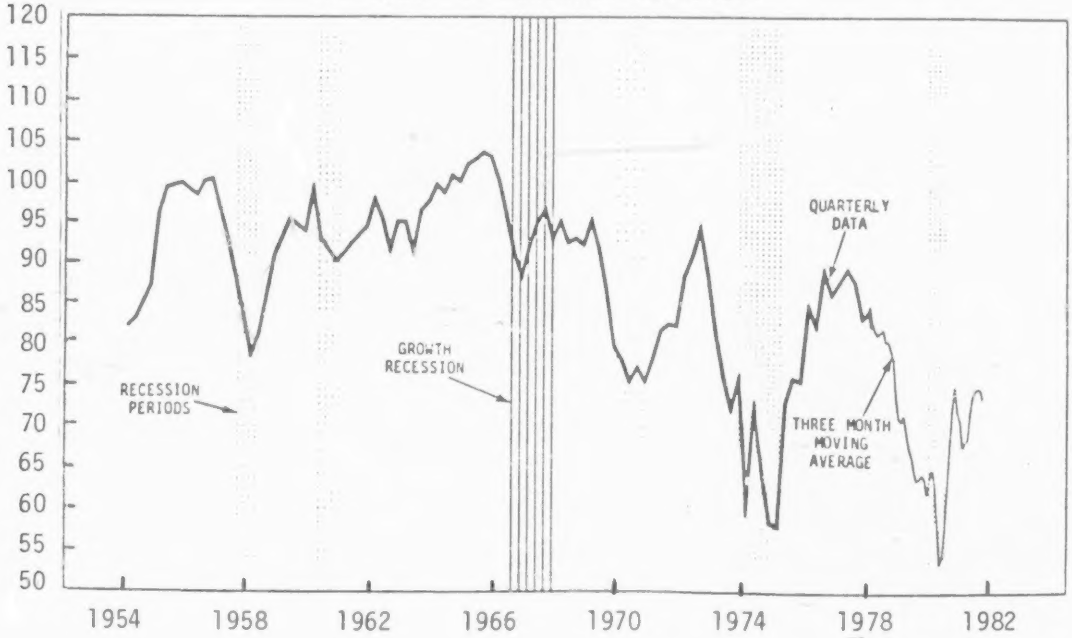


CHART 1 - HISTORICAL SERIES
THE INDEX OF CONSUMER SENTIMENT



## DESCRIPTION OF CHART LINES

QUARTERLY DATA: Data collected by surveys conducted at three-month intervals before 1978.

MONTHLY DATA: Data collected by surveys conducted each month since January of 1978.

THREE-MONTH MOVING AVERAGE: Each point plotted represents the average of the three monthly observations ending at the date plotted.

## TIME SCALE LABELS

Each tic mark on the time scale represents the month of January for the indicated year.

## NATIONAL BUREAU OF ECONOMIC RESEARCH, REFERENCE DATES FOR RECESSIONS

DATES:
November 1948 - October 1949
July 1953 - May 1954
August 1957 - April 1958
April 1960 - February 1961
June 1966 - November 1967*
December 1969 - November 1970
November 1973 - March 1975
January 1980 - July 1980
July 1981 - November 1982

Notes:

RECESSION PERIOD: Reduction in the national output of goods and services, generally lasting at least two quarters.

*GROWTH RECESSION: Retardation in the rate of growth of output and employment (usually followed by a recession and always the initial stage of a recession).

## APPROXIMATE SAMPLING ERRORS[a] OF SURVEY FINDINGS

(In percentages by size of sample or subgroup)

| Reported Percentages | Number of Interviews | | |
|---|---|---|---|
| | 700[b] | 1,400[c] | 2,100[d] |
| 50 | 4.2 | 3.2 | 2.8 |
| 30 or 70 | 3.8 | 2.9 | 2.5 |
| 20 or 80 | 3.4 | 2.6 | 2.2 |
| 10 or 90 | 2.5 | 1.9 | 1.6 |
| 5 or 95 | 1.8 | 1.4 | 1.2 |

---

[a] The figures in this table represent two standard errors. Hence, for most items the chances are 95 in 100 that the value being estimated lies within a range equal to the reported percentages, plus or minus the sampling error.

[b] Average size of monthly surveys.

[c] Average size of two monthly surveys.

[d] Average size of three monthly surveys (one quarter).

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SURVEY RESEARCH CENTER
UNIVERSITY OF MICHIGAN

JULY 1984 MONTHLY REPORT

August 8, 1984

# Surveys of Consumer Attitudes

Richard T Curtin, *Director*

## CONSUMER RESILENCE: "GLOOM BUSTERS"

** In the July 1984 survey, the Index of Consumer Sentiment was 96.6, up from 95.5 one month earlier, and 93.9 one year earlier. Among families with incomes of $25,000 or over, the Index of Consumer Sentiment was 102.8 in July, down from 104.5 in June. Despite small declines from the peaks recorded earlier in 1984, consumer sentiment remained at very favorable levels.

** The proportion of families whose financial situation had improved during the past year was 42 percent in July, down from 47 percent in June, but just above the 40 percent recorded one year earlier. Fewer families mentioned receiving income increases in July than one month earlier (31 vs 39 percent). Prospects for future improvement in their financial situation remained optimistic, as 34 percent expected improvement in the year ahead, compared with 10 percent that expected financial declines.

** Two-thirds of all families were aware of the improvements in the economy during the past year, yet less than half that number expected continued growth during the year ahead. Despite the expected slowing in economic growth, 61 percent expected good times financially in the economy during the year ahead. Longer term economic prospects also remained favorable in the July survey, with 44 percent of all families expecting good times financially in the economy as a whole during the next five years or so, up from 42 percent one month earlier.

** Interest rates were expected to increase by 58 percent of all families in the July survey, down from 64 percent one month earlier, and the cyclical peak of 68 percent recorded three months earlier. Just 11 percent of all families expected interest rates to decline during the year ahead in the July survey. The majority of respondents (53 percent) expected the unemployment rate to remain at its current improved level during the year ahead. The inflation rate was expected to average 4.1% during the year ahead, down from 4.6% one year earlier.

** Favorable attitudes toward buying conditions for large household durables were held by 71 percent of all families in the July survey, up from 67 percent in June, and just below the record peak of 77 percent recorded in May 1984. Favorable home buying attitudes declined somewhat in the July survey, due to rising mortgage rates. Among all families, 52 percent rate home buying conditions favorably, down from 55 percent one month earlier, and 66 percent three months earlier. During the past three months, the proportion of families that cited high interest rates as the cause for unfavorable buying conditions rose from 20 to 36 percent.

** Attitudes toward buying conditions for vehicles have remained favorable for more than a year, the July survey being no exception. Among all families, 62 percent rated vehicle buying conditions favorably, just between the 60 percent recorded one month earlier, and the 65 percent recorded one year earlier.

* * *

Consumer confidence has been maintained at very favorable levels in the July survey, and points toward continued high sales levels through 1984 and into early 1985. Unlike the period of growth in consumer sales in the mid 1970s, when low real rates tilted spending in favor of credit purchases, the current high real rates will favor non-credit purchases.

Monitoring Economic Change Program
Institute for Social Research • P.O. Box 1248 • Ann Arbor, Michigan 48106-1248 • (313) 763-5224

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# SURVEYS OF CONSUMER ATTITUDES

SURVEY RESEARCH CENTER
UNIVERSITY OF MICHIGAN

Institute for Social Research

# TABLES AND CHARTS

## AUGUST 1984

The August 1984 survey is the 191st in a series of surveys of consumer attitudes conducted by the Survey Research Center at The University of Michigan. Initiated in 1946, these periodic surveys provide regular assessments of consumer attitudes and expectations, and are used to evaluate economic trends and prospects. The surveys are designed to explore why changes in consumer attitudes and expectations occur, and how these changes influence consumer spending and saving decisions.

Two charts highlight recent changes and historical patterns for most questions. Recent change charts include quarterly data before 1978 and monthly data starting in January of 1978. Historical series charts show quarterly data before 1978 and 3 month moving averages since then. See the explanatory charts at the end of this book for a detailed description.

All surveys are subject to sampling error because not all members of the population are interviewed. Most results on the total sample for this monthly survey will differ by no more than 4 percentage points in either direction from what would have been obtained by using the same methods on the entire population. See the back of this book for sampling error information.

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| 2 | INDEX OF CONSUMER SENTIMENT WITHIN REGION AND AGE SUBGROUPS |
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| 4 | CURRENT FINANCIAL SITUATION COMPARED TO A YEAR AGO |
| 5 | SELECTED REASONS FOR OPINIONS ABOUT PERSONAL FINANCIAL SITUATION |
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| 8 | EXPECTED FAMILY INCOME CHANGE DURING THE NEXT 12 MONTHS |
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CHART 1 - RECENT CHANGES
THE INDEX OF CONSUMER SENTIMENT

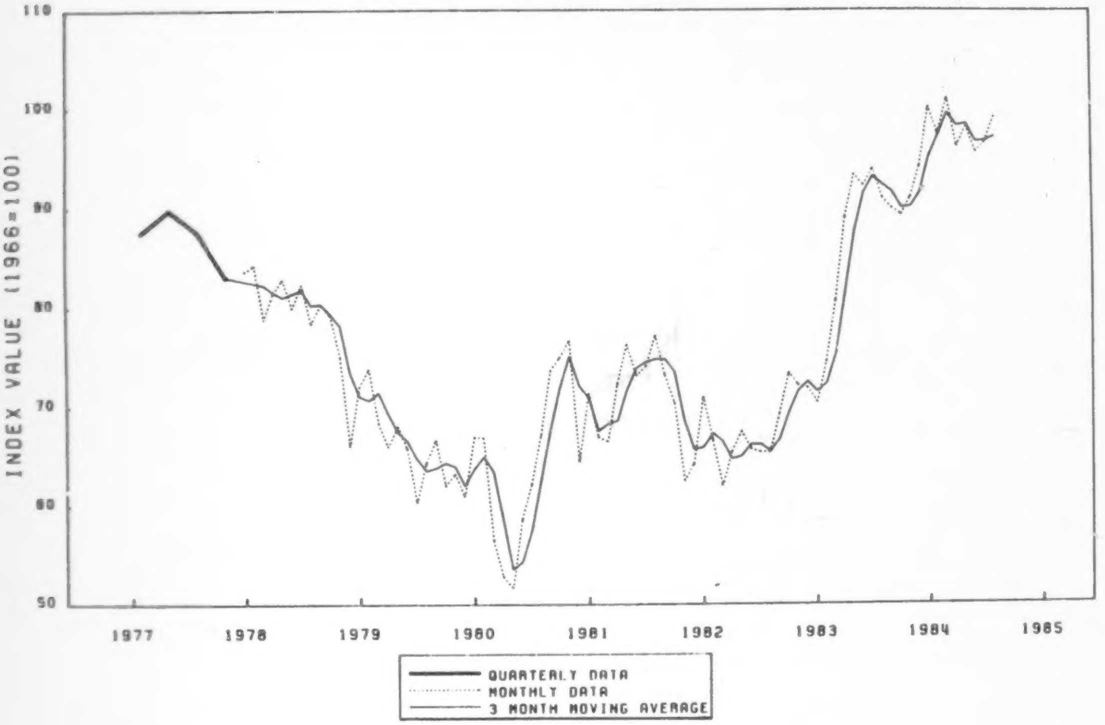


CHART 1 - HISTORICAL SERIES
THE INDEX OF CONSUMER SENTIMENT

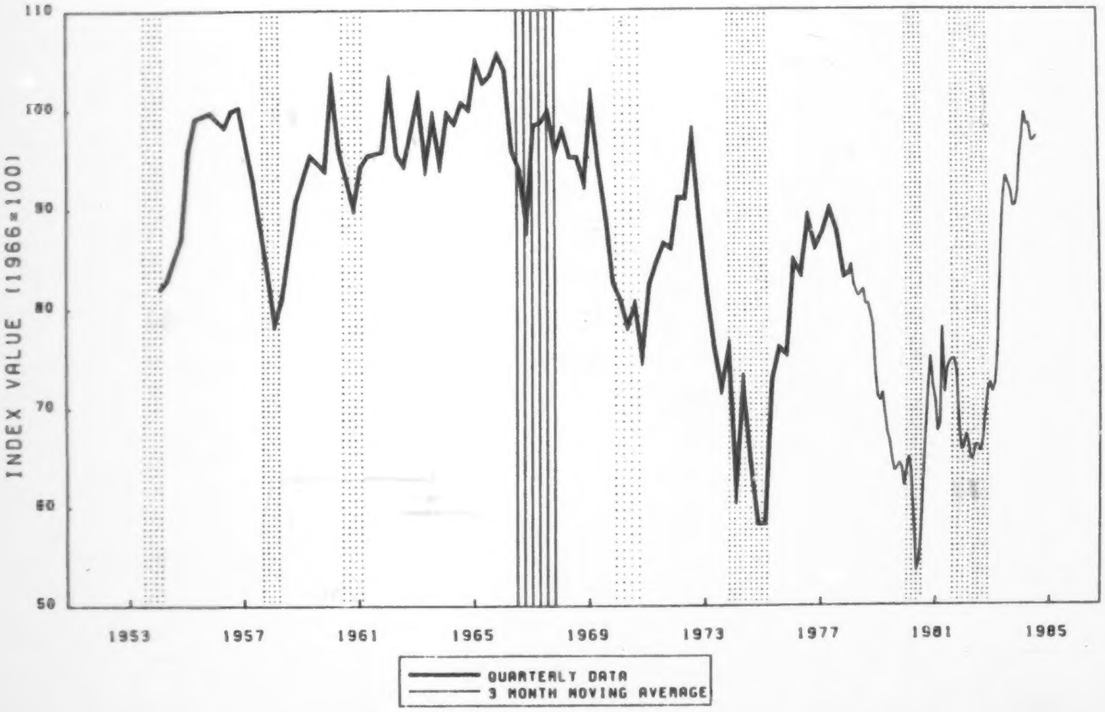


TABLE 1

THE INDEX OF CONSUMER SENTIMENT

| DATE OF SURVEY | All families | Families with incomes over $20,000 | Families with incomes over $25,000 |
|---|---|---|---|
| August 1981 | 77.2 | 82.7 | 85.0 |
| September 1981 | 73.1 | 75.2 | 73.3 |
| October 1981 | 70.3 | 74.5 | 77.9 |
| November 1981 | 62.5 | 67.2 | 66.3 |
| December 1981 | 64.3 | 71.0 | 71.1 |
| January 1982 | 71.0 | 77.9 | 77.8 |
| February 1982 | 66.5 | 71.5 | 72.8 |
| March 1982 | 62.0 | 67.0 | 67.9 |
| April 1982 | 65.5 | 71.5 | 73.2 |
| May 1982 | 67.5 | 72.7 | 74.8 |
| June 1982 | 65.7 | 71.4 | 72.9 |
| July 1982 | 65.4 | 68.9 | 69.2 |
| August 1982 | 65.4 | 71.0 | 73.6 |
| September 1982 | 69.3 | 78.4 | 81.1 |
| October 1982 | 73.4 | 77.5 | 80.9 |
| November 1982 | 72.1 | 79.3 | 81.1 |
| December 1982 | 71.9 | 78.0 | 80.5 |
| January 1983 | 70.4 | 78.2 | 78.8 |
| February 1983 | 74.6 | 79.9 | 81.3 |
| March 1983 | 80.8 | 88.4 | 88.9 |
| April 1983 | 89.1 | 97.1 | 99.0 |
| May 1983 | 93.3 | 99.6 | 101.0 |
| June 1983 | 92.2 | 101.2 | 102.5 |
| July 1983 | 93.9 | 104.4 | 106.5 |
| August 1983 | 90.9 | 101.2 | 103.5 |
| September 1983 | 89.9 | 99.0 | 102.3 |
| October 1983 | 89.3 | 99.5 | 101.9 |
| November 1983 | 91.1 | 97.2 | 98.8 |
| December 1983 | 94.2 | 101.7 | 104.5 |
| January 1984 | 100.1 | 112.0 | 114.2 |
| February 1984 | 97.4 | 109.6 | 111.2 |
| March 1984 | 101.0 | 110.9 | 114.2 |
| April 1984 | 96.1 | 103.9 | 105.5 |
| May 1984 | 98.1 | 105.6 | 107.1 |
| June 1984 | 95.5 | 104.4 | 104.5 |
| July 1984 | 96.6 | 103.2 | 102.8 |
| August 1984 | 99.1 | 106.7 | 109.2 |

CHART 2A - HISTORICAL SERIES
INDEX OF CONSUMER SENTIMENT WITHIN REGION SUBGROUPS

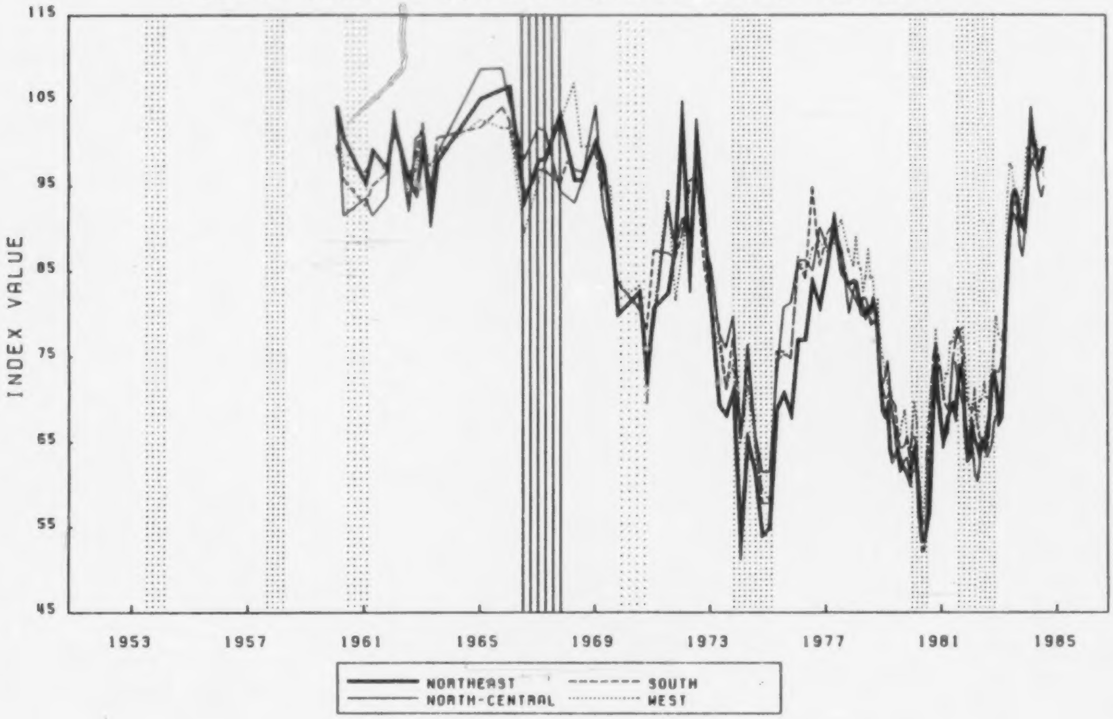
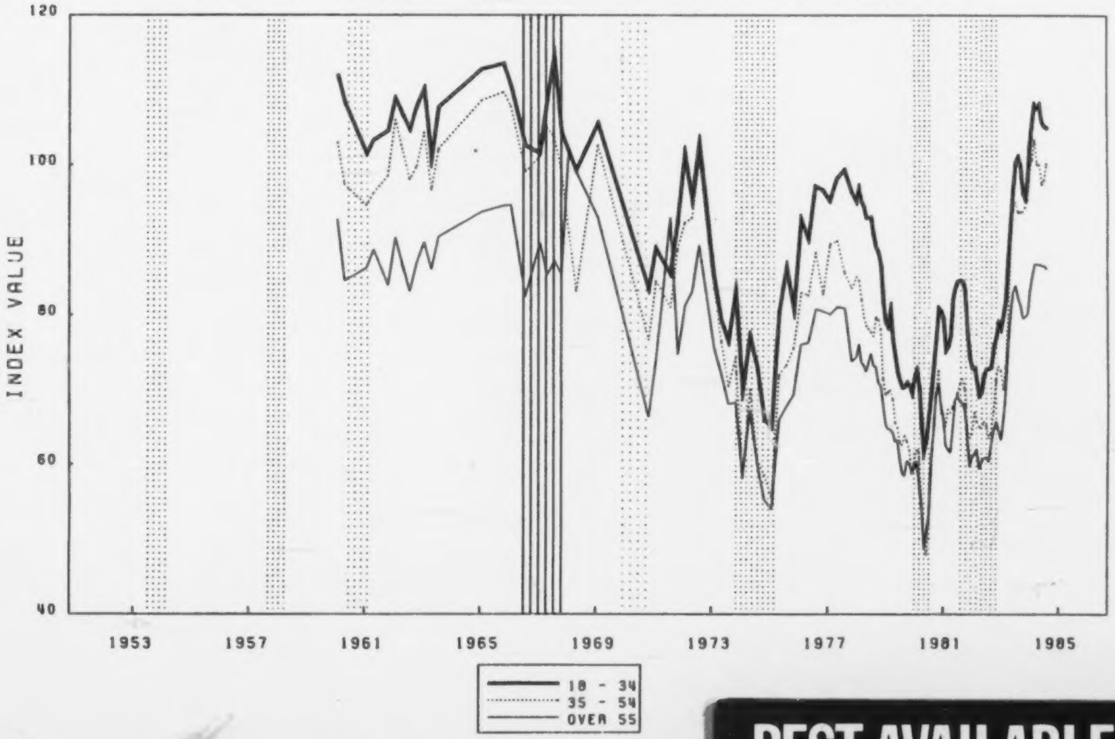


CHART 2B - HISTORICAL SERIES
INDEX OF CONSUMER SENTIMENT WITHIN AGE SUBGROUPS



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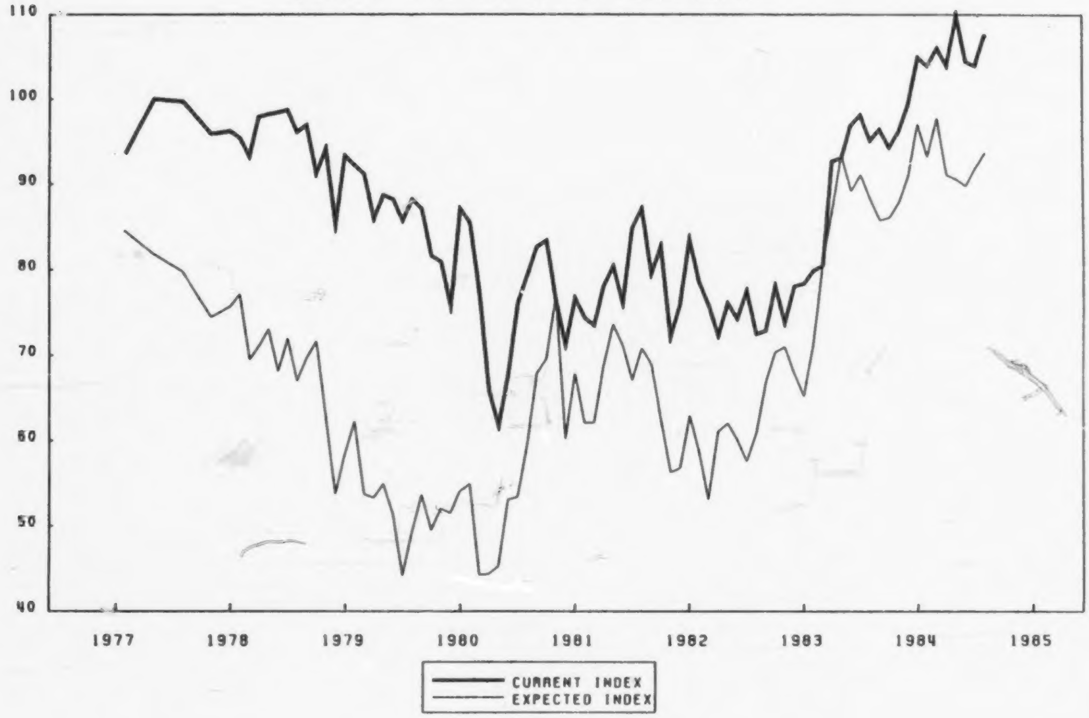
## TABLE 2

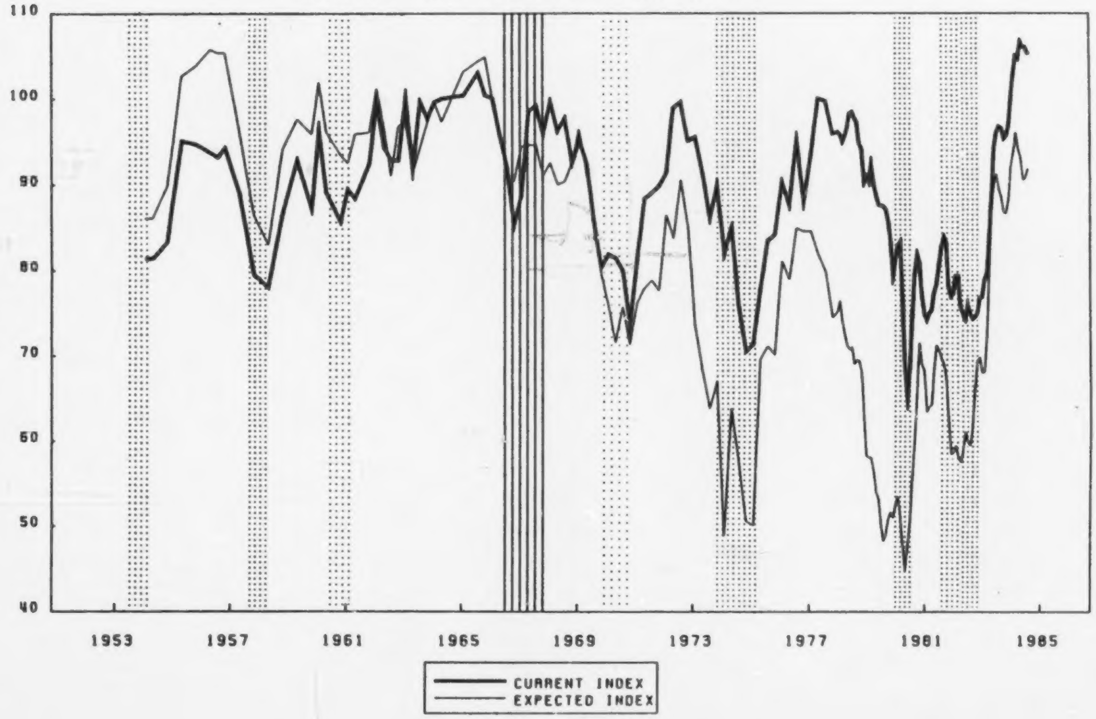
## INDEX OF CONSUMER SENTIMENT WITHIN REGION AND AGE SUBGROUPS

| | CENSUS REGION | | | | AGE OF RESPONDENT | | |
|---|---|---|---|---|---|---|---|
| DATE OF SURVEY | North East | North Central | South | West | 18-34 | 35-54 | 55+ |
| August 1981 | 77.0 | 70.1 | 83.2 | 79.2 | 87.8 | 75.0 | 67.9 |
| September 1981 | 75.1 | 69.9 | 72.4 | 76.6 | 81.4 | 68.8 | 69.2 |
| October 1981 | 67.9 | 68.2 | 68.9 | 79.0 | 80.7 | 65.9 | 64.8 |
| November 1981 | 55.8 | 64.7 | 61.1 | 68.8 | 71.3 | 59.6 | 57.7 |
| December 1981 | 65.0 | 65.3 | 64.4 | 61.6 | 70.9 | 65.3 | 56.7 |
| January 1982 | 68.8 | 67.3 | 72.0 | 76.2 | 76.6 | 67.4 | 68.5 |
| February 1982 | 65.9 | 60.6 | 71.8 | 68.8 | 71.5 | 68.3 | 59.0 |
| March 1982 | 60.5 | 55.8 | 64.7 | 68.2 | 65.5 | 61.4 | 58.8 |
| April 1982 | 67.2 | 64.6 | 65.0 | 65.8 | 70.6 | 65.5 | 60.4 |
| May 1982 | 62.4 | 66.5 | 66.6 | 75.7 | 72.7 | 67.6 | 62.0 |
| June 1982 | 65.4 | 65.0 | 64.9 | 68.6 | 72.4 | 64.4 | 60.3 |
| July 1982 | 65.1 | 64.0 | 63.5 | 71.1 | 73.4 | 63.3 | 60.6 |
| August 1982 | 68.1 | 60.6 | 64.0 | 70.6 | 72.6 | 62.9 | 60.2 |
| September 1982 | 70.3 | 67.2 | 71.1 | 68.8 | 73.0 | 66.7 | 68.0 |
| October 1982 | 77.8 | 66.2 | 74.1 | 79.3 | 81.2 | 72.1 | 65.5 |
| November 1982 | 70.6 | 67.9 | 73.2 | 79.3 | 76.6 | 75.7 | 63.8 |
| December 1982 | 66.1 | 70.0 | 72.5 | 80.4 | 78.9 | 71.7 | 64.2 |
| January 1983 | 64.9 | 70.5 | 73.6 | 72.8 | 78.8 | 70.0 | 62.0 |
| February 1983 | 72.1 | 72.3 | 75.8 | 77.2 | 82.1 | 68.3 | 72.4 |
| March 1983 | 82.9 | 73.7 | 82.7 | 84.4 | 84.9 | 81.5 | 75.5 |
| April 1983 | 89.1 | 88.0 | 87.2 | 95.6 | 95.8 | 90.5 | 80.5 |
| May 1983 | 88.3 | 90.7 | 93.3 | 102.7 | 97.2 | 97.1 | 84.9 |
| June 1983 | 95.1 | 88.7 | 92.5 | 94.1 | 97.8 | 94.4 | 83.9 |
| July 1983 | 98.3 | 93.8 | 89.9 | 94.3 | 106.0 | 93.6 | 83.0 |
| August 1983 | 89.6 | 92.0 | 91.3 | 89.6 | 99.2 | 92.9 | 80.0 |
| September 1983 | 92.6 | 87.8 | 89.3 | 90.8 | 94.8 | 94.5 | 80.9 |
| October 1983 | 89.9 | 83.7 | 91.5 | 93.5 | 94.2 | 93.8 | 77.8 |
| November 1983 | 87.7 | 88.3 | 91.5 | 98.5 | 97.2 | 94.6 | 80.7 |
| December 1983 | 91.4 | 96.2 | 95.2 | 92.2 | 102.3 | 97.5 | 81.8 |
| January 1984 | 100.7 | 96.8 | 97.5 | 107.5 | 107.9 | 106.0 | 87.4 |
| February 1984 | 102.3 | 98.4 | 93.5 | 97.1 | 106.2 | 98.9 | 86.5 |
| March 1984 | 104.8 | 98.5 | 102.1 | 97.5 | 109.9 | 105.2 | 86.6 |
| April 1984 | 92.5 | 95.3 | 98.2 | 99.3 | 106.5 | 95.9 | 87.0 |
| May 1984 | 98.8 | 96.3 | 96.5 | 103.9 | 107.5 | 98.8 | 86.6 |
| June 1984 | 100.1 | 92.1 | 95.0 | 93.7 | 103.0 | 97.1 | 85.9 |
| July 1984 | 94.3 | 92.5 | 100.5 | 99.3 | 104.9 | 98.2 | 87.1 |
| August 1984 | 103.1 | 100.2 | 97.5 | 95.4 | 106.8 | 105.3 | 85.2 |

## CHART 3 - RECENT CHANGES
## CURRENT AND EXPECTED COMPONENTS



## CHART 3 - HISTORICAL SERIES
## CURRENT AND EXPECTED COMPONENTS



## TABLE 3

## COMPONENTS OF THE INDEX OF CONSUMER SENTIMENT

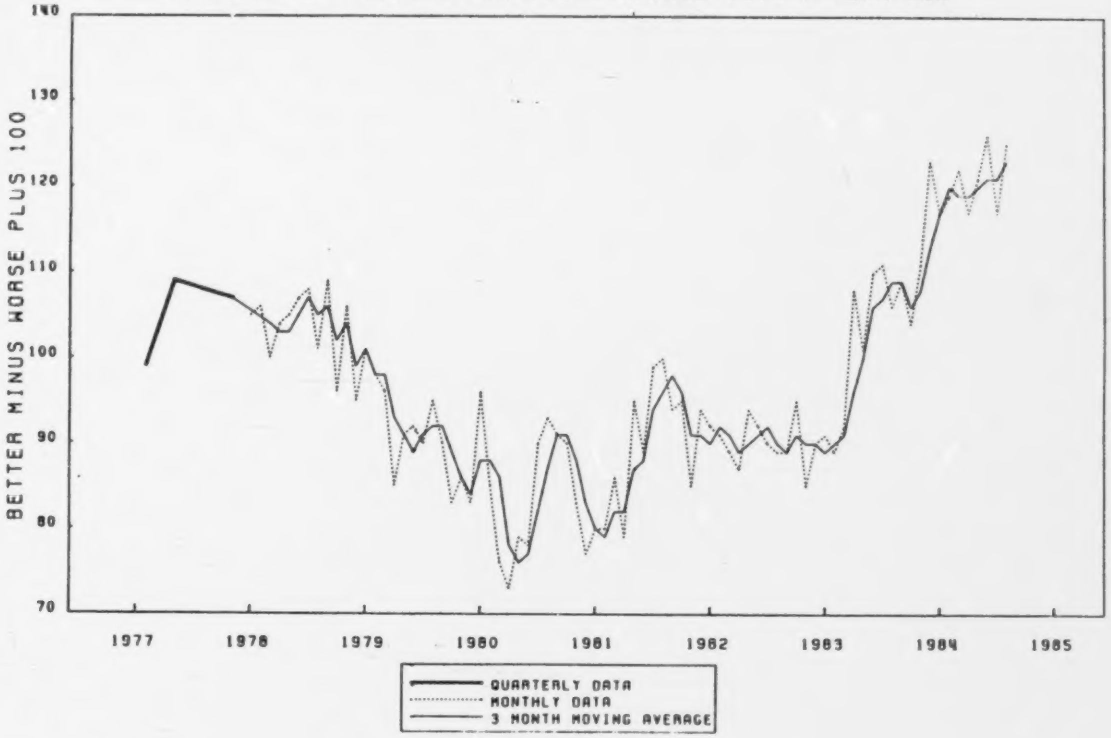
| | INDEX COMPONENTS + | | | | | | |
|---|---|---|---|---|---|---|---|
| | Personal finances | | Business conditions | | | | |
| DATE OF SURVEY | Current (1) | Expected (2) | 12 months (3) | 5 years (4) | Buying conds. (5) | Current Index (1,5) | Expected Index (2,3,4) |
| August 1981 | 100 | 117 | 92 | 72 | 123 | 87.1 | 70.8 |
| September 1981 | 94 | 113 | 80 | 80 | 109 | 79.5 | 69.0 |
| October 1981 | 95 | 110 | 68 | 67 | 117 | 82.7 | 62.3 |
| November 1981 | 85 | 110 | 54 | 56 | 99 | 72.1 | 56.3 |
| December 1981 | 94 | 110 | 54 | 61 | 101 | 75.9 | 56.8 |
| January 1982 | 92 | 115 | 66 | 70 | 124 | 83.5 | 62.9 |
| February 1982 | 91 | 112 | 56 | 65 | 111 | 78.6 | 58.7 |
| March 1982 | 89 | 106 | 44 | 60 | 106 | 75.9 | 53.1 |
| April 1982 | 87 | 111 | 62 | 70 | 99 | 72.3 | 61.1 |
| May 1982 | 94 | 113 | 62 | 72 | 102 | 76.1 | 62.0 |
| June 1982 | 92 | 116 | 58 | 65 | 99 | 74.3 | 60.1 |
| July 1982 | 90 | 113 | 53 | 63 | 110 | 77.5 | 57.6 |
| August 1982 | 89 | 110 | 64 | 69 | 97 | 72.5 | 60.9 |
| September 1982 | 89 | 116 | 76 | 74 | 98 | 72.9 | 66.9 |
| October 1982 | 95 | 119 | 79 | 83 | 106 | 78.1 | 70.4 |
| November 1982 | 85 | 121 | 77 | 86 | 105 | 73.8 | 71.0 |
| December 1982 | 90 | 117 | 74 | 80 | 111 | 78.1 | 67.9 |
| January 1983 | 91 | 115 | 76 | 69 | 111 | 78.4 | 65.2 |
| February 1983 | 89 | 117 | 87 | 81 | 117 | 79.9 | 71.2 |
| March 1983 | 92 | 126 | 113 | 85 | 115 | 80.5 | 80.9 |
| April 1983 | 108 | 131 | 120 | 99 | 131 | 92.7 | 86.9 |
| May 1983 | 101 | 137 | 139 | 100 | 139 | 93.1 | 93.4 |
| June 1983 | 110 | 128 | 134 | 97 | 141 | 96.9 | 89.2 |
| July 1983 | 111 | 126 | 136 | 104 | 143 | 98.1 | 91.1 |
| August 1983 | 106 | 124 | 130 | 100 | 140 | 95.1 | 88.2 |
| September 1983 | 109 | 125 | 125 | 95 | 140 | 96.4 | 85.8 |
| October 1983 | 104 | 124 | 124 | 98 | 140 | 94.3 | 86.1 |
| November 1983 | 111 | 127 | 129 | 98 | 138 | 96.1 | 87.9 |
| December 1983 | 123 | 125 | 140 | 102 | 134 | 99.3 | 91.0 |
| January 1984 | 117 | 129 | 154 | 108 | 155 | 104.9 | 97.0 |
| February 1984 | 119 | 130 | 139 | 106 | 151 | 103.9 | 93.2 |
| March 1984 | 122 | 135 | 146 | 113 | 153 | 106.0 | 97.7 |
| April 1984 | 117 | 124 | 136 | 106 | 153 | 103.9 | 91.1 |
| May 1984 | 121 | 129 | 131 | 105 | 164 | 109.8 | 90.6 |
| June 1984 | 126 | 124 | 131 | 106 | 145 | 104.4 | 89.8 |
| July 1984 | 117 | 124 | 133 | 113 | 152 | 103.9 | 91.9 |
| August 1984 | 125 | 129 | 137 | 111 | 153 | 107.5 | 93.7 |

(1) See Table 4.
(2) See Table 6.
(3) See Table 18.
(4) See Table 19.
(5) See Table 26.

+ : Percent saying "GOOD TIMES" (or "BETTER"), minus percent saying "BAD TIMES" (or "WORSE"), plus 100.

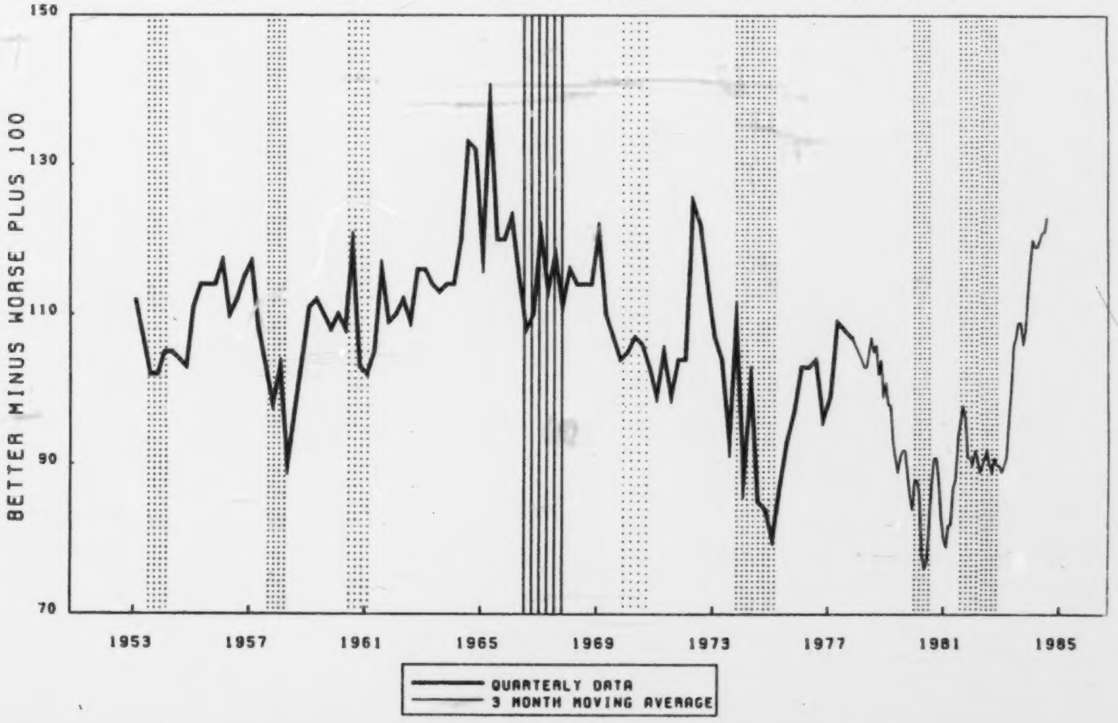
## CHART 4 - RECENT CHANGES

## CURRENT FINANCIAL SITUATION COMPARED WITH A YEAR AGO



## CHART 4 - HISTORICAL SERIES

## CURRENT FINANCIAL SITUATION COMPARED WITH A YEAR AGO



## TABLE 4

## CURRENT FINANCIAL SITUATION COMPARED TO A YEAR AGO

| | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 | July 1984 | Aug. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| BETTER OFF | 36% | 38% | 36% | 38% | 45% | 42% | 44% | 48% | 43% | 44% | 47% | 42% | 48% |
| SAME | 34 | 33 | 32 | 35 | 33 | 32 | 31 | 26 | 30 | 33 | 31 | 33 | 29 |
| WORSE OFF | 30 | 29 | 32 | 27 | 22 | 25 | 25 | 26 | 26 | 23 | 21 | 25 | 23 |
| DK,NA | * | * | * | * | * | 1 | * | * | 1 | * | 1 | * | * |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 | 690 | 680 | 656 | 693 |

The question was: "We are interested in how people are getting along financially these days. Would you say that you (and your family living there) are better off or worse off financially than you were a year ago?"

* : Less than half of one percent.

CHART 5 - RECENT CHANGES
REASONS FOR OPINIONS ABOUT PERSONAL FINANCIAL SITUATION

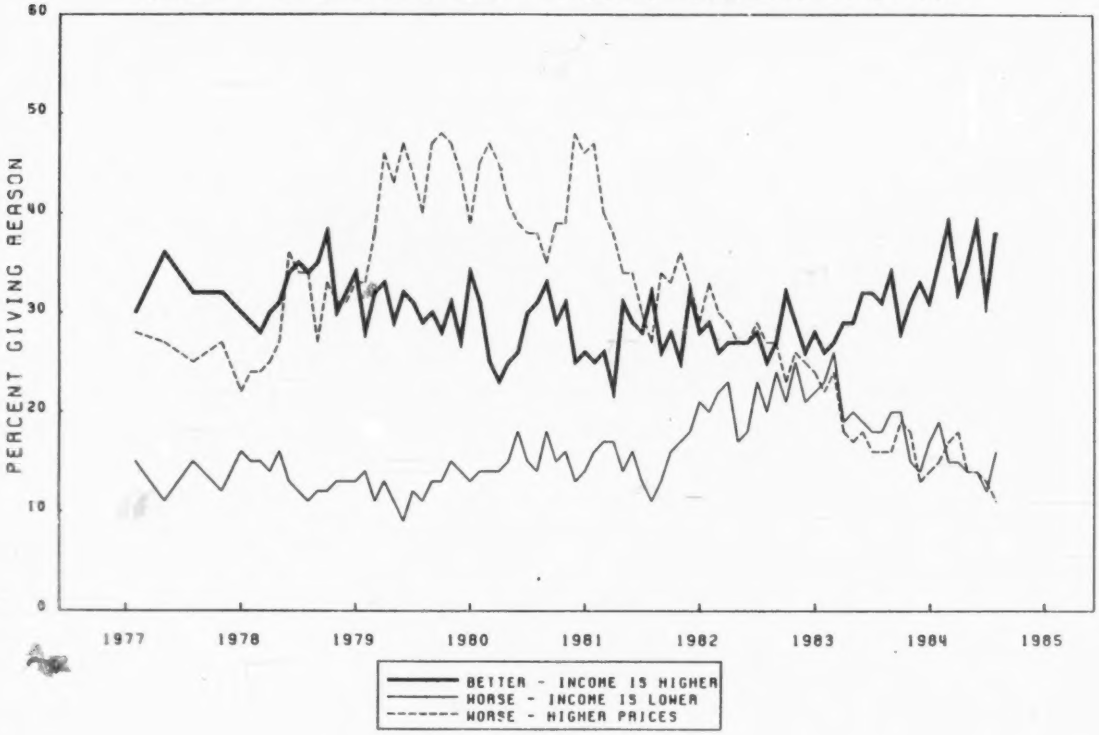
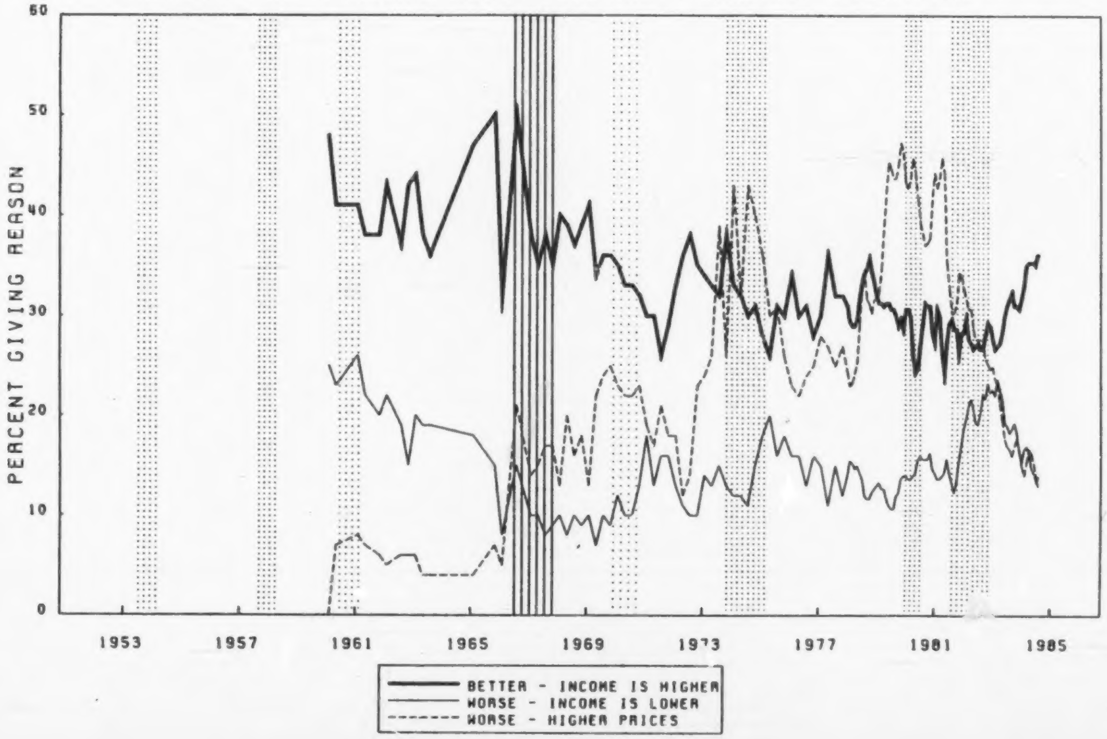


CHART 5 - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT PERSONAL FINANCIAL SITUATION



## TABLE 5

## SELECTED REASONS FOR OPINIONS ABOUT PERSONAL FINANCIAL SITUATION +

| | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 | July 1984 | Aug. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| BETTER OFF THAN YEAR AGO: | | | | | | | | | | | | | |
| Income is higher | 31% | 34% | 28% | 31% | 33% | 31% | 35% | 39% | 32% | 35% | 39% | 31% | 38% |
| WORSE OFF THAN YEAR AGO: | | | | | | | | | | | | | |
| Income is lower | 18 | 20 | 20 | 15 | 14 | 17 | 19 | 15 | 15 | 14 | 14 | 12 | 16 |
| Higher prices | 16 | 16 | 19 | 18 | 13 | 14 | 15 | 17 | 18 | 14 | 14 | 13 | 11 |

Responses to the query: "Why do you say so?" following the question on Table 4.

+ : May add to more than 100% due to multiple mentions.

CHART 6 - RECENT CHANGES
EXPECTED CHANGE IN FINANCIAL SITUATION

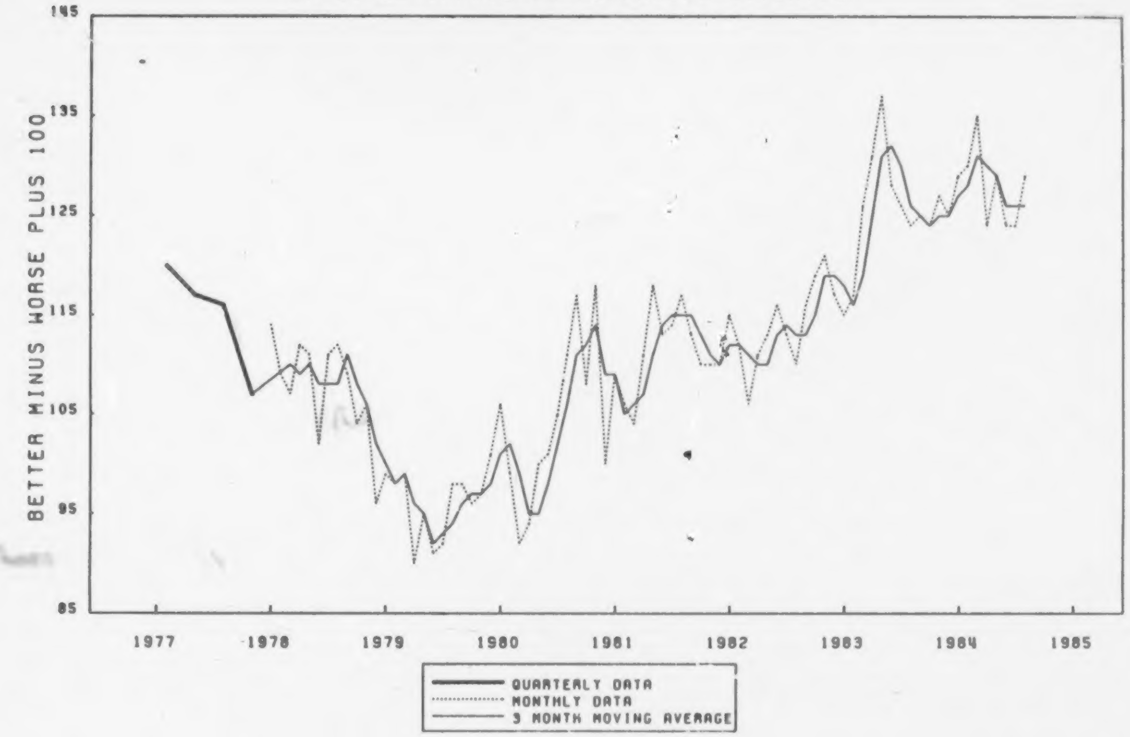
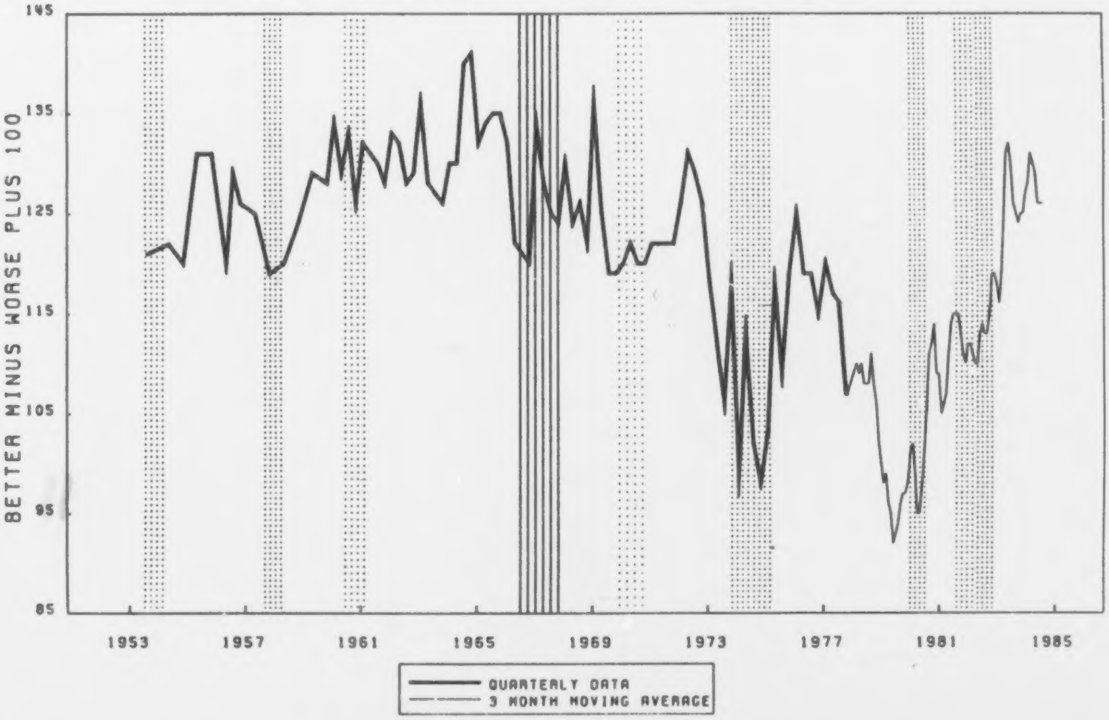


CHART 6 - HISTORICAL SERIES
EXPECTED CHANGE IN FINANCIAL SITUATION



## TABLE 6

## EXPECTED CHANGE IN FINANCIAL SITUATION

| | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 | July 1984 | Aug. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| BETTER OFF | 37% | 37% | 37% | 38% | 35% | 38% | 41% | 44% | 37% | 40% | 35% | 34% | 38% |
| SAME | 46 | 48 | 46 | 47 | 51 | 50 | 44 | 44 | 48 | 47 | 52 | 51 | 49 |
| WORSE OFF | 13 | 12 | 13 | 11 | 10 | 9 | 11 | 9 | 13 | 11 | 11 | 10 | 9 |
| DK,NA | 4 | 3 | 4 | 4 | 4 | 3 | 4 | 3 | 2 | 2 | 2 | 5 | 4 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 | 690 | 680 | 656 | 693 |

The question was: "Now looking ahead--do you think that a year from now you (and your family living there) will be better off financially, or worse off, or just about the same as now?"

CHART 7 - RECENT CHANGES
TREND IN PERSONAL FINANCIAL SITUATION

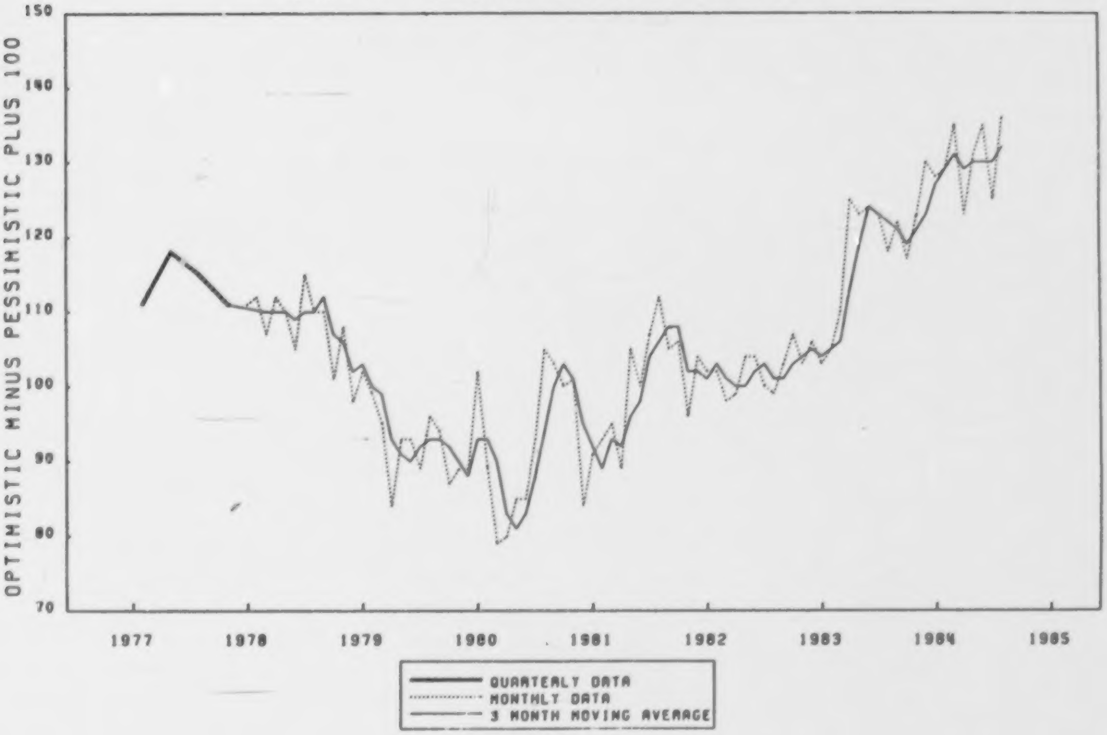
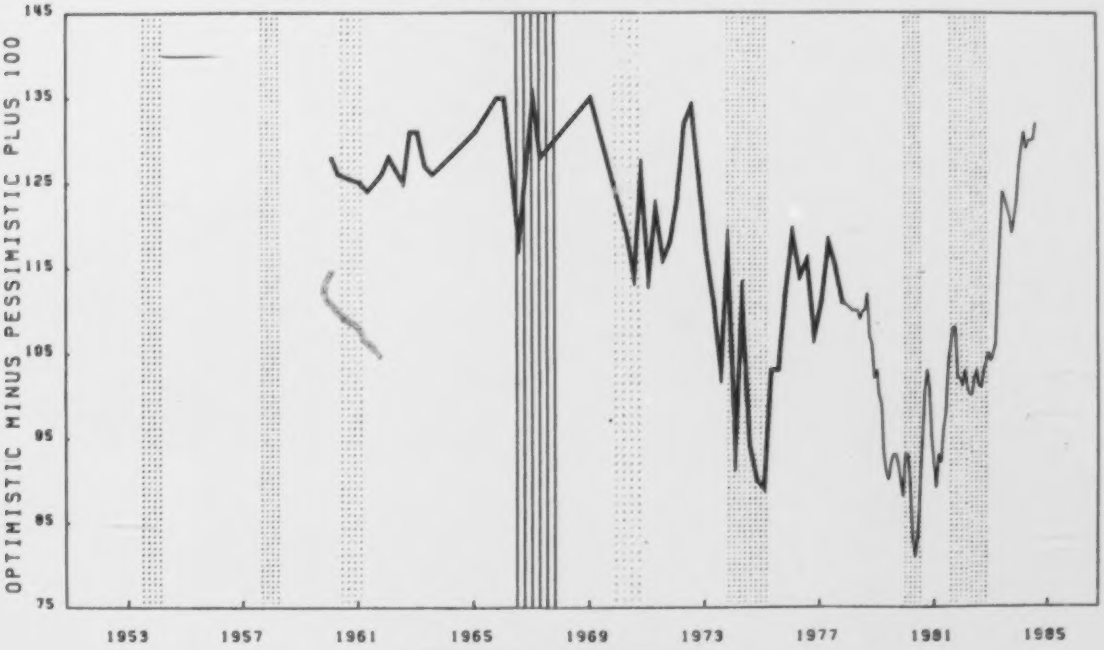


CHART 7 - HISTORICAL SERIES
TREND IN PERSONAL FINANCIAL SITUATION



# TABLE 7

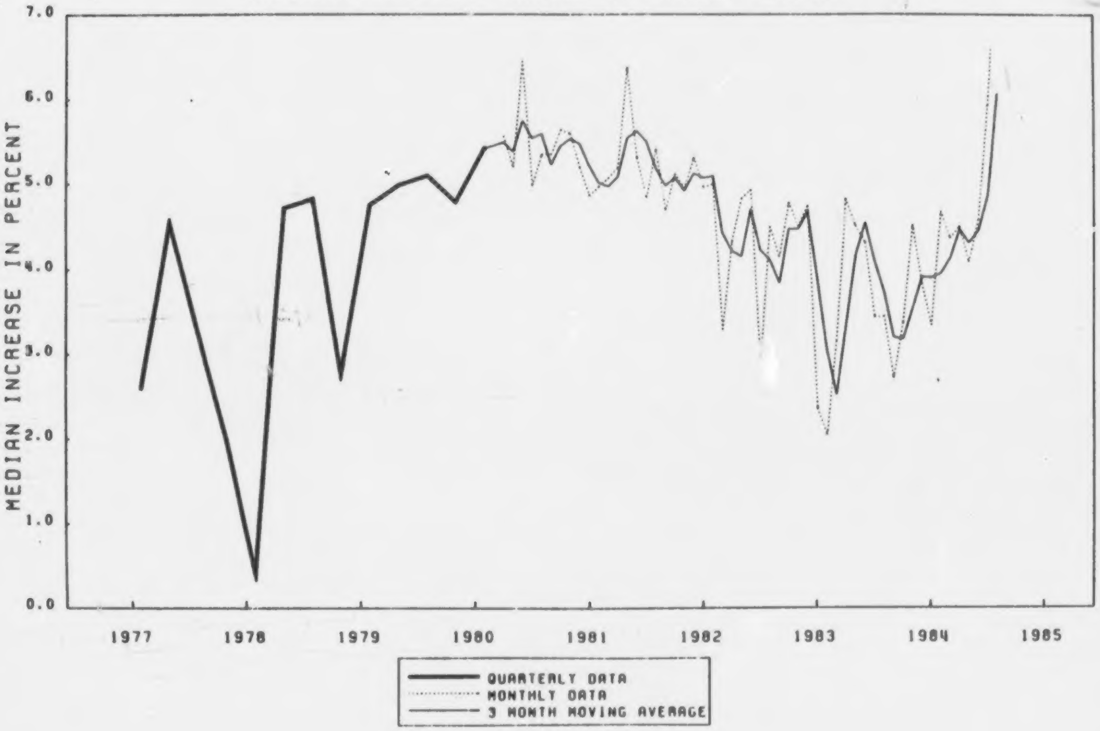
## TREND IN PERSONAL FINANCIAL SITUATION

| | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 | July 1984 | Aug. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| PERSONAL FINANCIAL PROGRESS: | | | | | | | | | | | | | |
| Continuous increase (a) | 19% | 18% | 19% | 20% | 22% | 22% | 24% | 27% | 23% | 23% | 20% | 22% | 24% |
| Intermittent increase (b) | 23 | 27 | 23 | 23 | 26 | 26 | 25 | 27 | 22 | 24 | 32 | 24 | 30 |
| Remain unchanged (c) | 19 | 18 | 18 | 21 | 22 | 18 | 17 | 14 | 19 | 21 | 19 | 21 | 17 |
| Intermittent decline (d) | 18 | 17 | 18 | 15 | 13 | 16 | 16 | 14 | 16 | 12 | 12 | 16 | 13 |
| Continuous decline (e) | 6 | 6 | 7 | 5 | 5 | 4 | 4 | 5 | 6 | 4 | 5 | 5 | 5 |
| Mixed change (f) | 10 | 11 | 11 | 11 | 8 | 10 | 10 | 10 | 11 | 14 | 10 | 7 | 8 |
| DK,NA | 5 | 3 | 4 | 5 | 4 | 4 | 4 | 3 | 3 | 2 | 2 | 5 | 3 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 | 690 | 680 | 656 | 693 |

Combination of the responses to the questions on Tables 4 and 6.

Key: (a) Better off financially than a year ago/Better off a year from now
(b) Better/Same or Same/Better
(c) Same/Same
(d) Worse/Same or Same/Worse
(e) Worse/Worse
(f) Worse/Better or Better/Worse

CHART 8 - RECENT CHANGES
MEDIAN EXPECTED CHANGE IN FAMILY INCOME



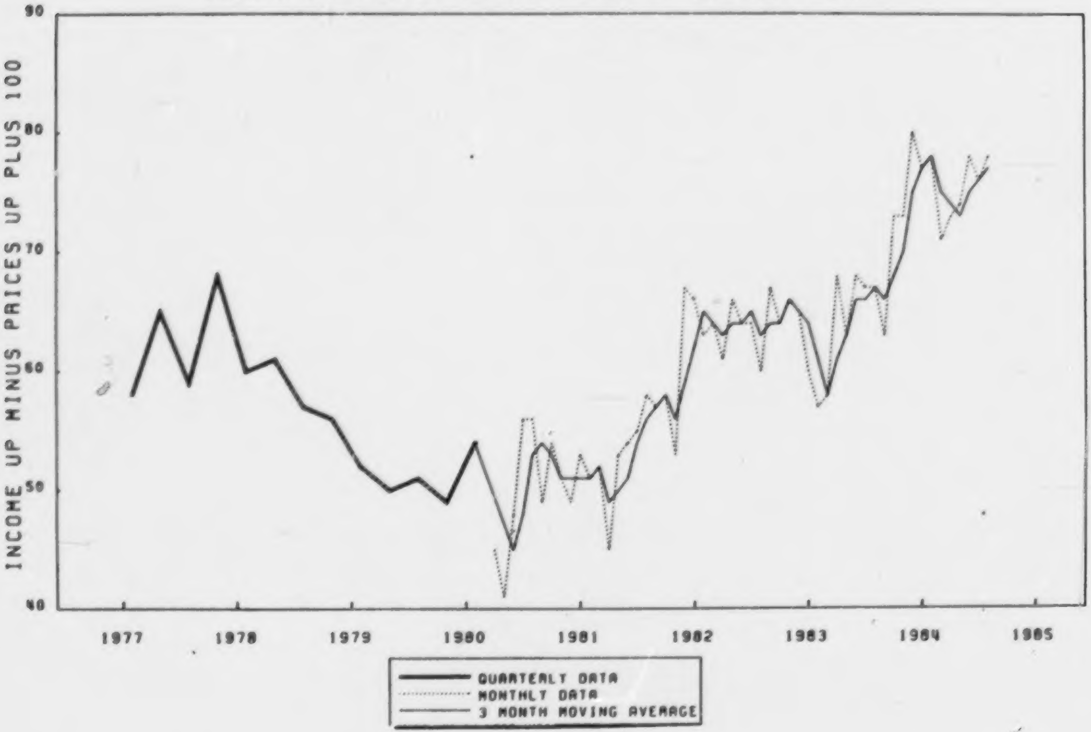
## TABLE 8

## EXPECTED FAMILY INCOME CHANGE DURING THE NEXT 12 MONTHS

| | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 | July 1984 | Aug. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| EXPECT INCREASE: | | | | | | | | | | | | | |
| 1-4% | 13% | 11% | 11% | 12% | 12% | 15% | 13% | 14% | 11% | 11% | 12% | 17% | 13% |
| 5% | 10 | 12 | 10 | 9 | 10 | 11 | 13 | 9 | 11 | 9 | 11 | 12 | 11 |
| 6-9% | 10 | 5 | 10 | 8 | 10 | 8 | 10 | 8 | 8 | 7 | 12 | 8 | 11 |
| 10-24% | 15 | 14 | 15 | 19 | 16 | 16 | 19 | 18 | 18 | 21 | 17 | 17 | 18 |
| 25% or more | 8 | 9 | 7 | 8 | 7 | 7 | 6 | 11 | 8 | 8 | 7 | 6 | 7 |
| DK how much up | 4 | 6 | 5 | 7 | 5 | 4 | 4 | 6 | 5 | 6 | 3 | 4 | 3 |
| EXPECT SAME | 23 | 30 | 26 | 23 | 26 | 27 | 22 | 26 | 22 | 26 | 24 | 23 | 24 |
| EXPECT DOWN | 14 | 12 | 13 | 11 | 12 | 10 | 11 | 7 | 15 | 11 | 11 | 11 | 11 |
| DK,NA | 3 | 1 | 3 | 3 | 2 | 2 | 2 | 1 | 2 | 1 | 3 | 2 | 2 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 | 690 | 680 | 656 | 693 |

The questions were: "During the next 12 months, do you expect your (family) income to be higher or lower than during the past year?" and "By about what percent do you expect your (family) income to increase during the next 12 months?"

CHART 9 - RECENT CHANGES
INCOME OR PRICES UP MORE DURING THE LAST YEAR



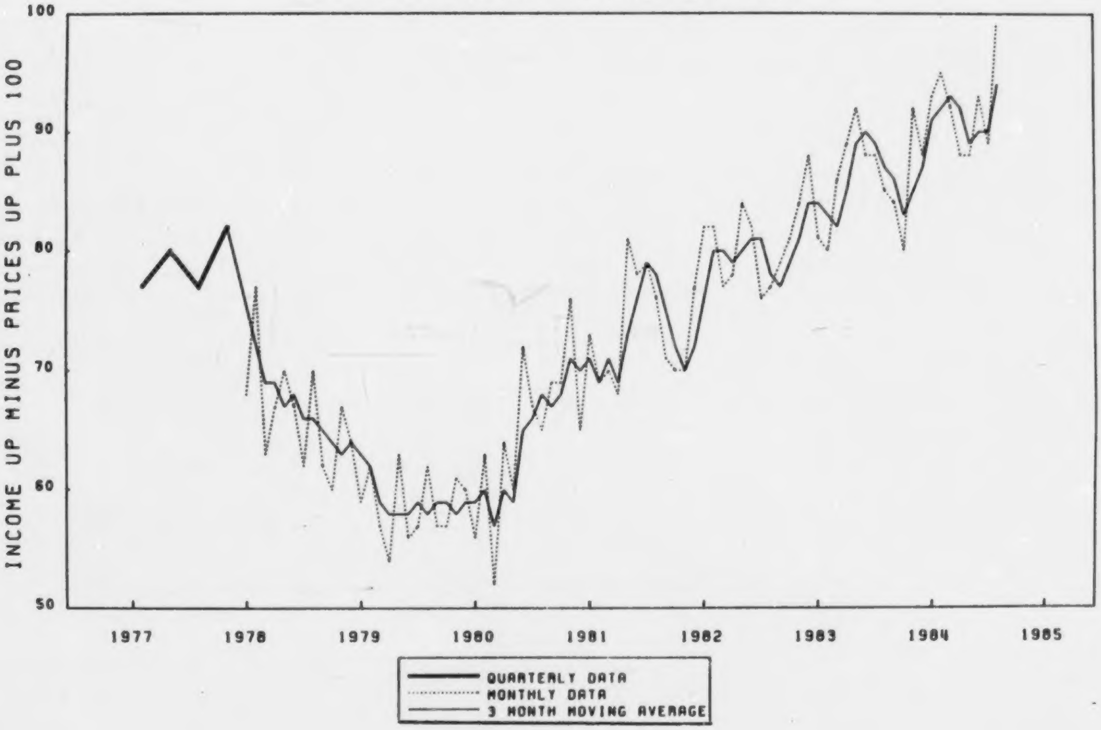
## TABLE 9

## PAST CHANGE IN REAL FAMILY INCOME

| | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 | July 1984 | Aug. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| INCOME UP MORE | 20% | 15% | 20% | 22% | 23% | 23% | 22% | 20% | 20% | 20% | 21% | 21% | 21% |
| INCOME UP SAME | 26 | 31 | 32 | 28 | 32 | 29 | 32 | 30 | 32 | 33 | 34 | 33 | 34 |
| PRICES UP MORE | 53 | 52 | 47 | 49 | 43 | 46 | 44 | 49 | 47 | 46 | 43 | 45 | 43 |
| DK,NA | 1 | 2 | 1 | 1 | 2 | 2 | 2 | 1 | 1 | 1 | 2 | 1 | 2 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 | 690 | 680 | 656 | 693 |

The question was: "During the last year or two, would you say that your (family) income went up more than prices, went up about the same as prices, or went up less than prices?"

CHART 10 - RECENT CHANGES
INCOME OR PRICES UP MORE NEXT YEAR



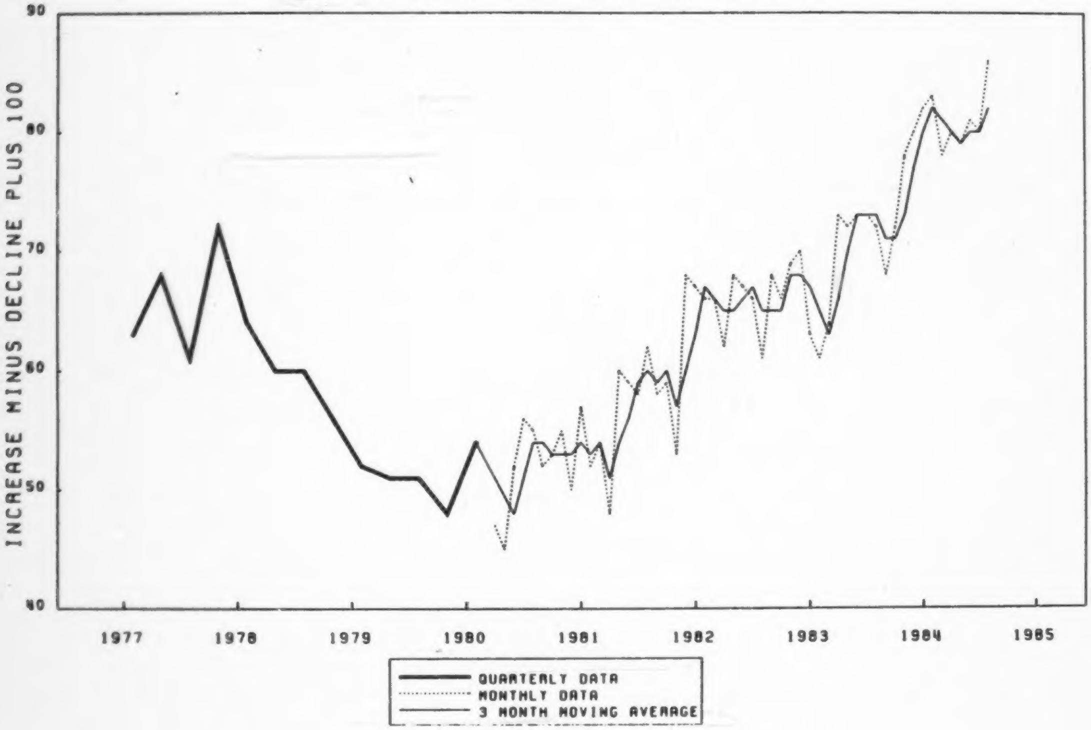
## TABLE 10

## EXPECTED CHANGE IN REAL FAMILY INCOME

| | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 | July 1984 | Aug. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| INCOME UP MORE | 19% | 19% | 18% | 23% | 20% | 23% | 24% | 23% | 21% | 22% | 22% | 22% | 25% |
| INCOME UP SAME | 43 | 44 | 41 | 42 | 45 | 45 | 45 | 44 | 43 | 42 | 47 | 41 | 45 |
| PRICES UP MORE | 34 | 35 | 38 | 31 | 32 | 30 | 29 | 31 | 33 | 34 | 29 | 33 | 26 |
| DK,NA | 4 | 2 | 3 | 4 | 3 | 2 | 2 | 2 | 3 | 2 | 2 | 4 | 4 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 | 690 | 680 | 656 | 693 |

The question was: "How about the next year or two--do you expect that your (family) income will go up more than prices will go up, about the same, or less than prices will go up?"

CHART 11 - RECENT CHANGES
TREND IN INCOME AND PRICE COMPARISON



## TABLE 11

## TREND IN FAMILY INCOME AND PRICES COMPARISONS

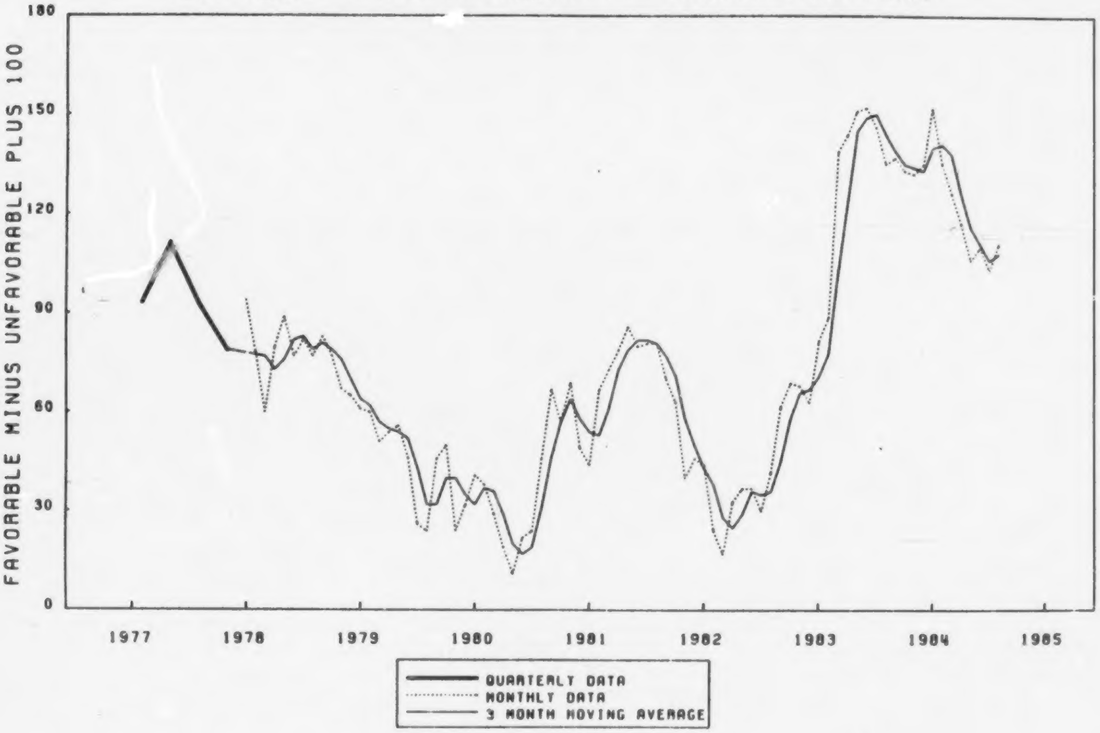
| | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 | July 1984 | Aug. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| REAL INCOME PROGRESS: | | | | | | | | | | | | | |
| Continuous increase (a) | 10% | 8% | 11% | 13% | 12% | 12% | 13% | 12% | 10% | 9% | 11% | 10% | 12% |
| Intermittent increase (b) | 13 | 10 | 10 | 12 | 14 | 14 | 13 | 12 | 14 | 17 | 13 | 14 | 15 |
| Remain unchanged (c) | 16 | 21 | 20 | 17 | 19 | 19 | 20 | 20 | 21 | 17 | 22 | 20 | 21 |
| Intermittent decline (d) | 24 | 23 | 21 | 23 | 23 | 21 | 22 | 20 | 18 | 22 | 23 | 20 | 22 |
| Continuous decline (e) | 27 | 27 | 28 | 24 | 23 | 23 | 21 | 26 | 26 | 25 | 20 | 21 | 19 |
| Mixed change (f) | 6 | 8 | 7 | 7 | 6 | 8 | 6 | 8 | 7 | 7 | 8 | 8 | 6 |
| DK,NA | 4 | 3 | 3 | 4 | 3 | 3 | 5 | 2 | 4 | 3 | 3 | 4 | 5 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 | 690 | 680 | 656 | 693 |

Combination of the responses to the questions on Tables 9 and 10.

Key: (a) Income up more last year/Income up more next year
(b) Income up more/Same or Income up same/More
(c) Income up same/Same
(d) Prices up more/Same or Prices up same/More
(e) Prices up more/More
(f) Income up more/Prices up more or Prices up more/Income up more

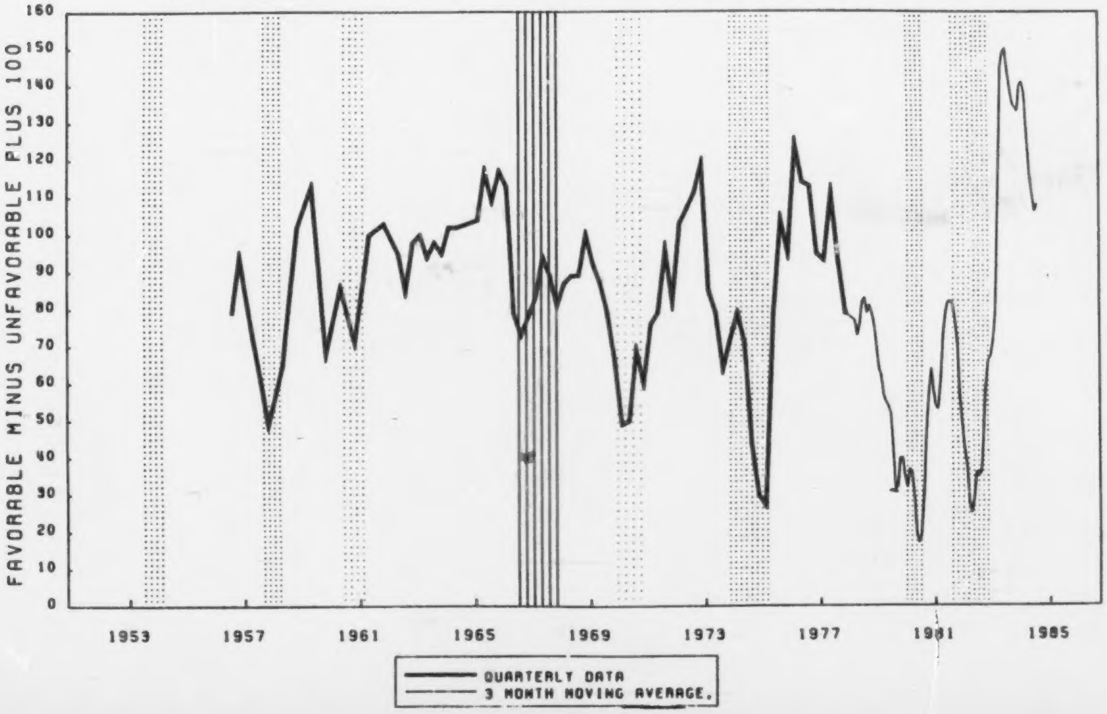
## CHART 12 - RECENT CHANGES

## NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS



## CHART 12 - HISTORICAL SERIES

## NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS



## TABLE 12

## NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS +

| | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 | July 1984 | Aug. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| FAVORABLE NEWS | 69% | 64% | 63% | 62% | 60% | 78% | 66% | 58% | 49% | 47% | 50% | 42% | 51% |
| UNFAVORABLE NEWS | 34 | 27 | 30 | 30 | 25 | 26 | 31 | 32 | 32 | 41 | 40 | 39 | 40 |
| NO MENTIONS | 34 | 43 | 41 | 39 | 42 | 33 | 38 | 43 | 46 | 41 | 41 | 46 | 39 |

The questions were: "During the last few months, have you heard of any favorable or unfavorable changes in business conditions?" and "What did you hear?"

+ : May add to more than 100% due to multiple mentions.

CHART 13A - HISTORICAL SERIES
TYPE OF NEWS HEARD ABOUT CHANGES IN BUSINESS CONDITIONS

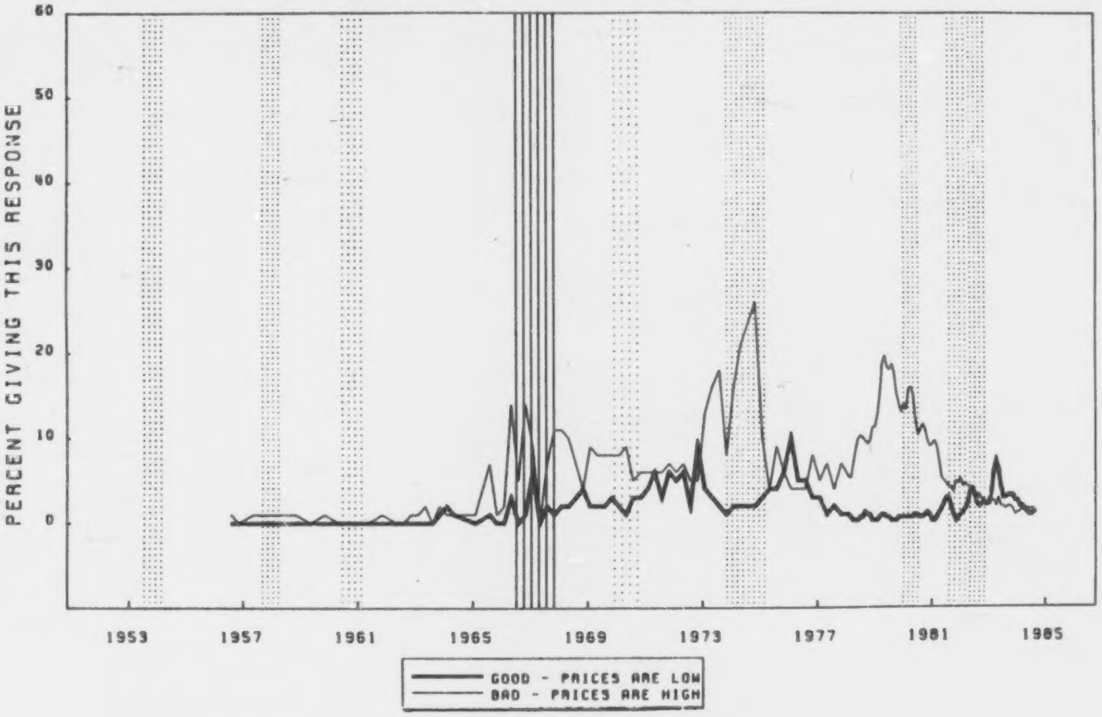
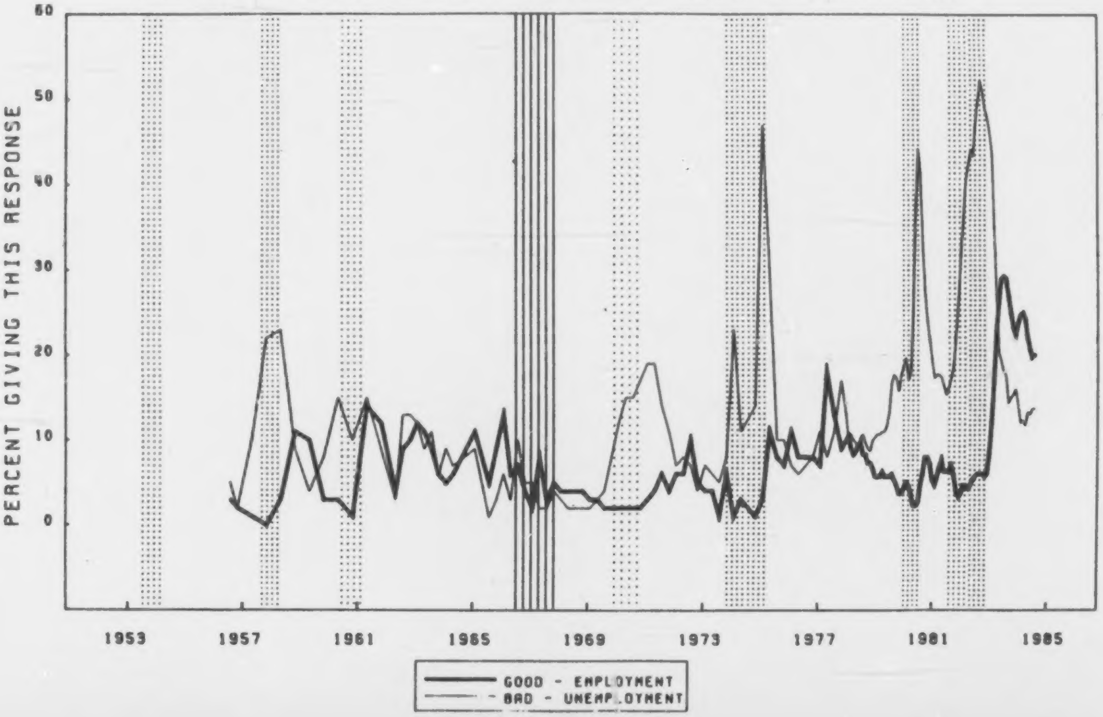


CHART 13B - HISTORICAL SERIES
TYPE OF NEWS HEARD ABOUT CHANGES IN BUSINESS CONDITIONS



## TABLE 13

## SELECTED ITEMS OF NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS +

| | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 | July 1984 | Aug. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| FAVORABLE NEWS: | | | | | | | | | | | | | |
| Government; elections | 2% | 1% | 2% | 2% | 1% | 3% | 2% | 1% | 1% | 1% | 2% | 2% | 2% |
| Employment | 27 | 25 | 23 | 22 | 22 | 27 | 25 | 25 | 23 | 18 | 21 | 20 | 20 |
| Consumer demand high | 13 | 11 | 11 | 13 | 12 | 18 | 15 | 10 | 8 | 10 | 8 | 4 | 7 |
| Prices are low | 3 | 4 | 3 | 3 | 2 | 3 | 1 | 2 | 1 | 1 | 1 | 1 | 2 |
| Credit is easy | 8 | 8 | 7 | 5 | 4 | 5 | 4 | 5 | 4 | 2 | 3 | 2 | 4 |
| UNFAVORABLE NEWS: | | | | | | | | | | | | | |
| Government; elections | 3 | 1 | 1 | 2 | 3 | 2 | 5 | 4 | 2 | 3 | 2 | 4 | 4 |
| Unemployment | 16 | 11 | 18 | 17 | 13 | 13 | 10 | 14 | 11 | 15 | 13 | 13 | 15 |
| Consumer demand low | 2 | 1 | 1 | 2 | * | 2 | 1 | 1 | * | 2 | 1 | 2 | 2 |
| Prices are high | 2 | 3 | 1 | 1 | 1 | 2 | 1 | 2 | 1 | 2 | 2 | 1 | 2 |
| Credit is tight | 6 | 4 | 2 | 1 | 2 | 1 | 2 | 3 | 9 | 10 | 12 | 13 | 9 |
| Energy crisis | * | * | * | * | * | * | * | * | * | * | * | * | * |

The questions were: "During the last few months, have you heard of any favorable or unfavorable changes in business conditions?" and "What did you hear?"

+ : May add to more than 100% due to multiple mentions.

* : Less than half of one percent.

CHART 14 - RECENT CHANGES
CURRENT BUSINESS CONDITIONS COMPARED WITH A YEAR AGO

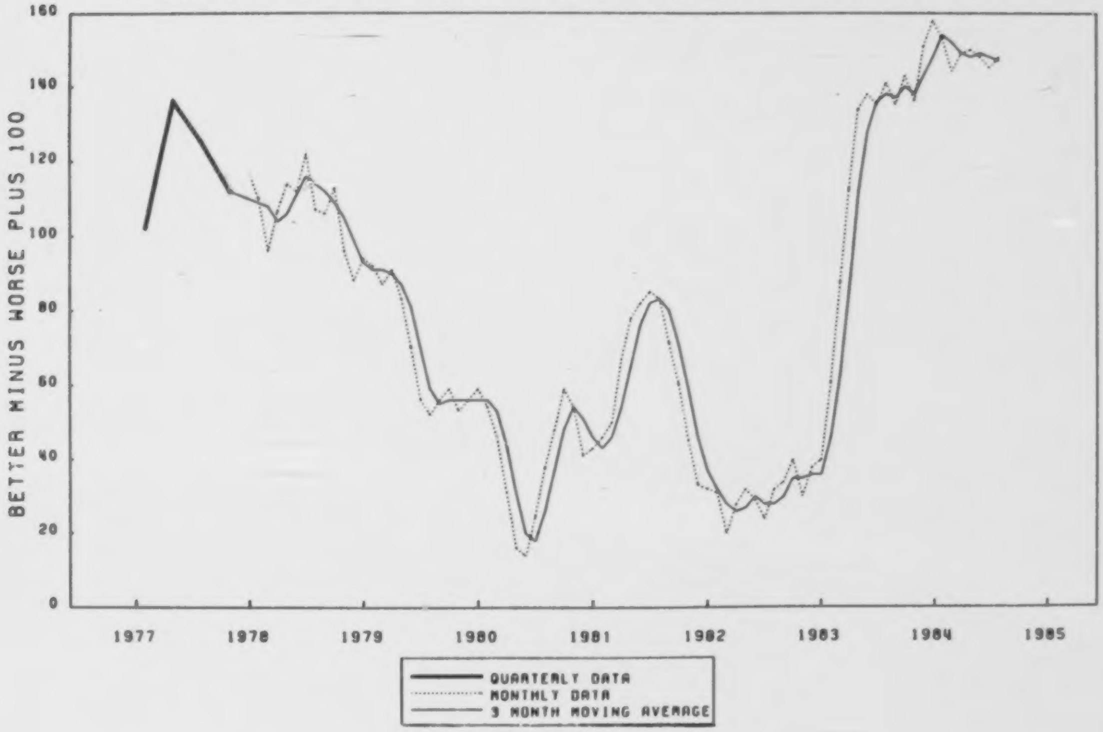
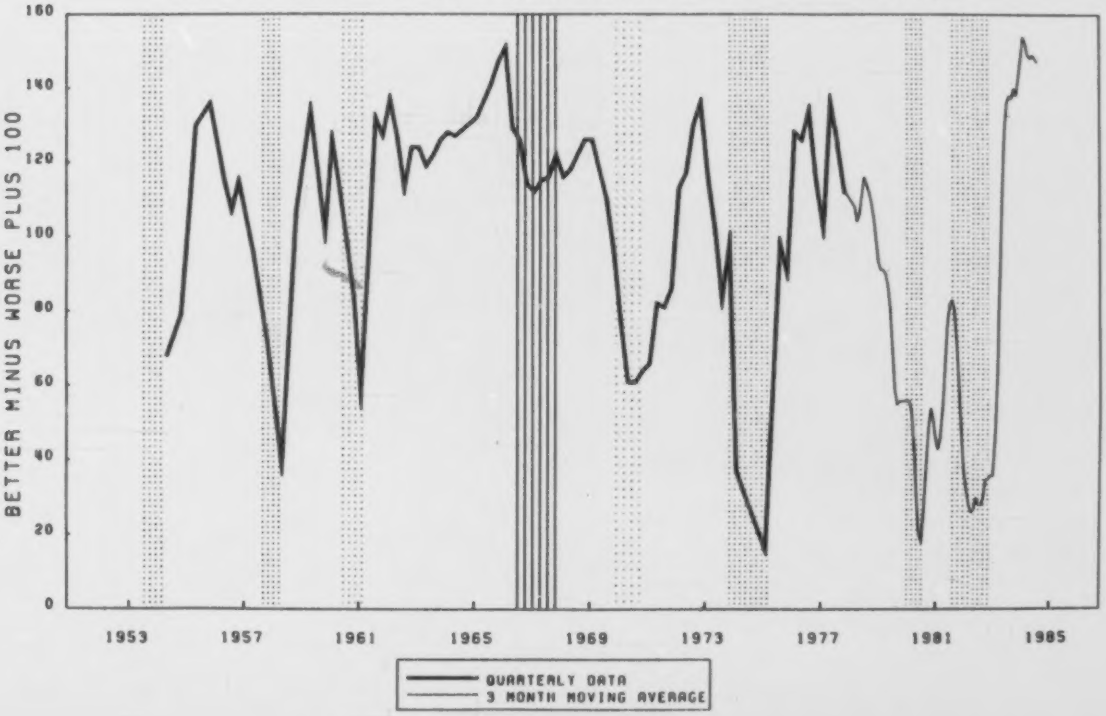


CHART 14 - HISTORICAL SERIES
CURRENT BUSINESS CONDITIONS COMPARED WITH A YEAR AGO



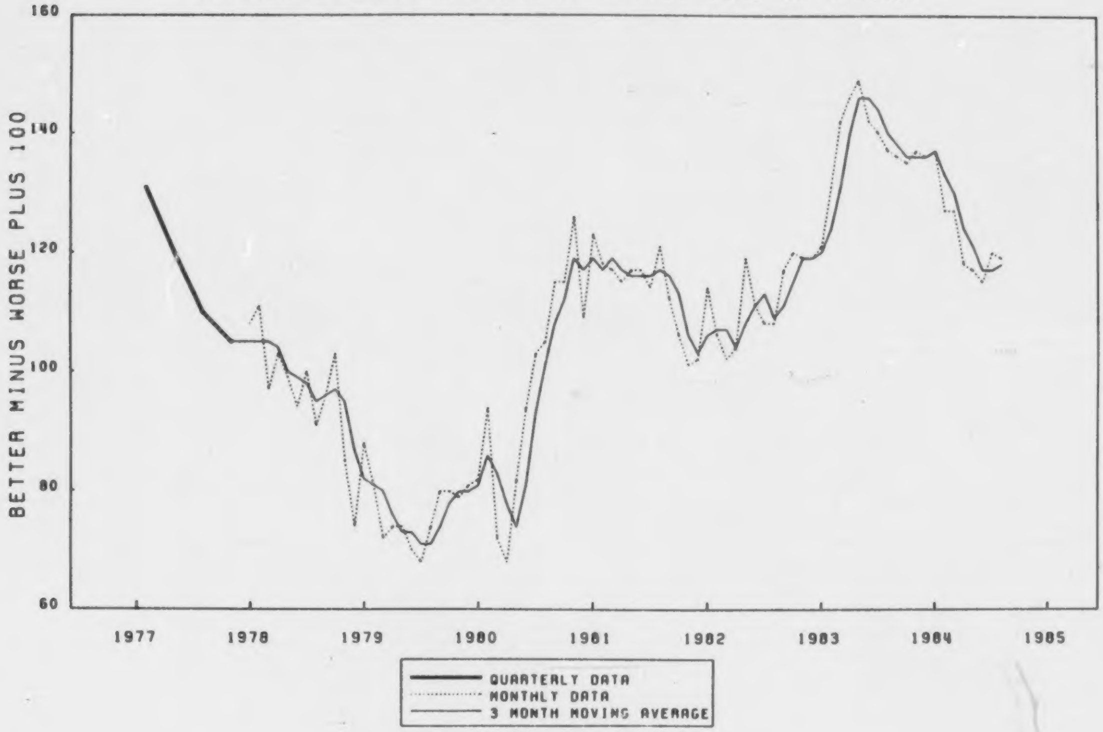
## TABLE 14

## CURRENT BUSINESS CONDITIONS COMPARED TO A YEAR AGO

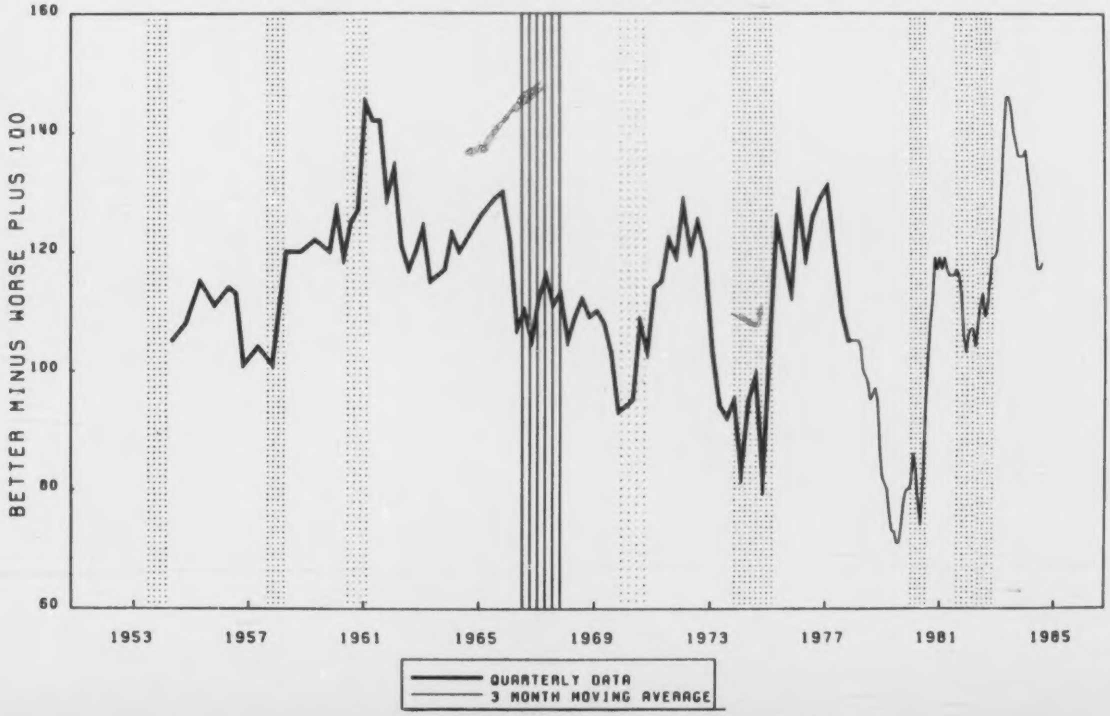
| | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 | July 1984 | Aug. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| BETTER NOW | 66% | 62% | 66% | 63% | 71% | 75% | 72% | 67% | 68% | 70% | 67% | 67% | 68% |
| SAME | 8 | 10 | 9 | 8 | 8 | 6 | 8 | 9 | 11 | 9 | 12 | 9 | 11 |
| WORSE NOW | 25 | 27 | 23 | 27 | 20 | 17 | 19 | 23 | 19 | 20 | 19 | 22 | 20 |
| DK,NA | 1 | 1 | 2 | 2 | 1 | 2 | 1 | 1 | 2 | 1 | 2 | 2 | 1 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 | 690 | 680 | 656 | 693 |

The question was: "Would you say that at the present time business conditions are better or worse than they were a year ago?"

## CHART 15 - RECENT CHANGES
## EXPECTED CHANGE IN BUSINESS CONDITIONS IN A YEAR



## CHART 15 - HISTORICAL SERIES
## EXPECTED CHANGE IN BUSINESS CONDITIONS IN A YEAR



# TABLE 15

## EXPECTED CHANGE IN BUSINESS CONDITIONS IN A YEAR

| | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 | July 1984 | Aug. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| BETTER | 47% | 46% | 46% | 46% | 44% | 46% | 38% | 38% | 32% | 31% | 30% | 32% | 33% |
| SAME | 42 | 42 | 41 | 43 | 45 | 43 | 48 | 49 | 52 | 53 | 53 | 51 | 49 |
| WORSE | 10 | 10 | 11 | 9 | 8 | 9 | 11 | 11 | 14 | 14 | 15 | 12 | 14 |
| DK,NA | 1 | 2 | 2 | 2 | 3 | 2 | 3 | 2 | 2 | 2 | 2 | 5 | 4 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 | 690 | 680 | 656 | 693 |

The question was: "And how about a year from now, do you expect that in the country as a whole business conditions will be better, or worse than they are at present, or just about the same?"

CHART 16A - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUSINESS CONDITIONS IN A YEAR

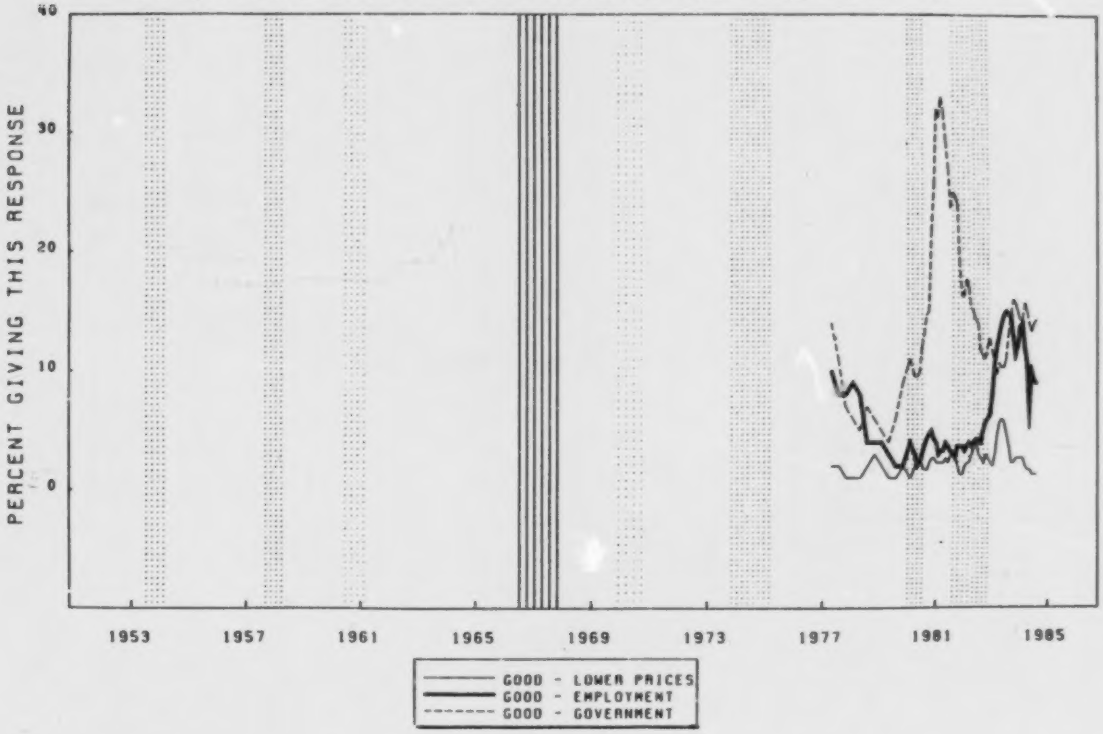
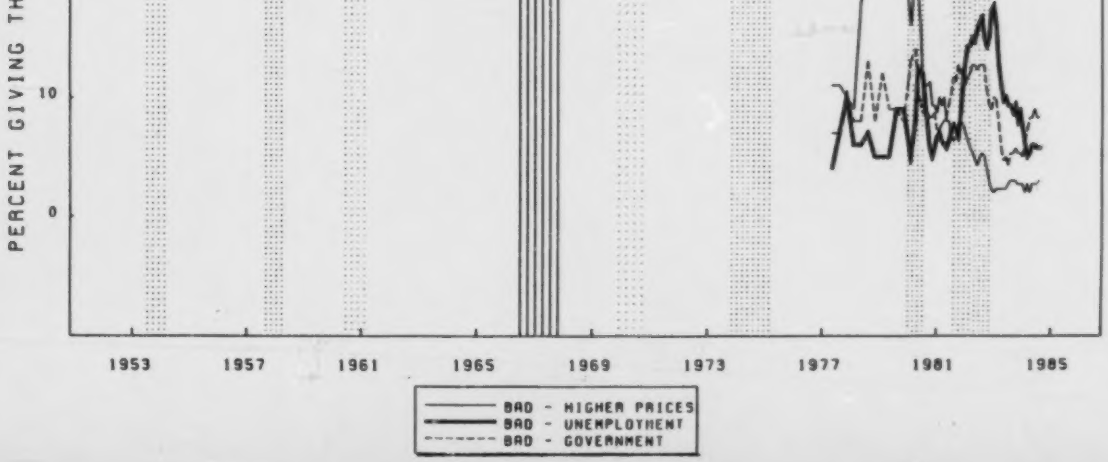


CHART 16B - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUSINESS CONDITIONS IN A YEAR



## TABLE 16

## REASONS FOR OPINIONS ABOUT CHANGES IN BUSINESS CONDITIONS IN A YEAR +

| | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 | July 1984 | Aug. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| FAVORABLE REASONS: | | | | | | | | | | | | | |
| Government; elections | 16% | 15% | 17% | 15% | 13% | 15% | 15% | 17% | 13% | 12% | 15% | 15% | 13% |
| Employment | 15 | 14 | 10 | 10 | 16 | 15 | 11 | 10 | 11 | 9 | 10 | 9 | 8 |
| Higher consumer demand | 6 | 7 | 8 | 8 | 8 | 8 | 5 | 4 | 4 | 5 | 4 | 5 | 5 |
| Lower prices | 2 | 2 | 3 | 2 | 3 | 3 | 1 | 2 | 1 | 2 | 1 | 1 | 2 |
| Easier credit | 6 | 5 | 6 | 4 | 4 | 3 | 4 | 2 | 2 | 2 | 2 | 4 | 4 |
| UNFAVORABLE REASONS: | | | | | | | | | | | | | |
| Government; elections | 6 | 6 | 5 | 5 | 6 | 4 | 9 | 9 | 7 | 9 | 11 | 5 | 9 |
| Unemployment | 9 | 9 | 10 | 8 | 8 | 6 | 4 | 5 | 7 | 6 | 5 | 6 | 6 |
| Lower consumer demand | 3 | 1 | 3 | 2 | 2 | 2 | 1 | 1 | 2 | 2 | 2 | 2 | 3 |
| Higher prices | 4 | 2 | 3 | 3 | 2 | 3 | 1 | 3 | 2 | 3 | 2 | 3 | 4 |
| Tighter credit | 3 | 2 | 2 | 2 | 1 | 2 | 4 | 2 | 7 | 7 | 8 | 7 | 5 |
| Energy crisis | * | * | * | * | * | * | * | * | * | * | * | * | * |

The question was: "Why do you expect business conditions to be better/the same/worse a year from now?" following the question on table 15.

+ : May add to more than 100% due to multiple mentions.

* : Less than half of one percent.

CHART 17 - RECENT CHANGES
TREND IN PAST AND EXPECTED BUSINESS CONDITIONS

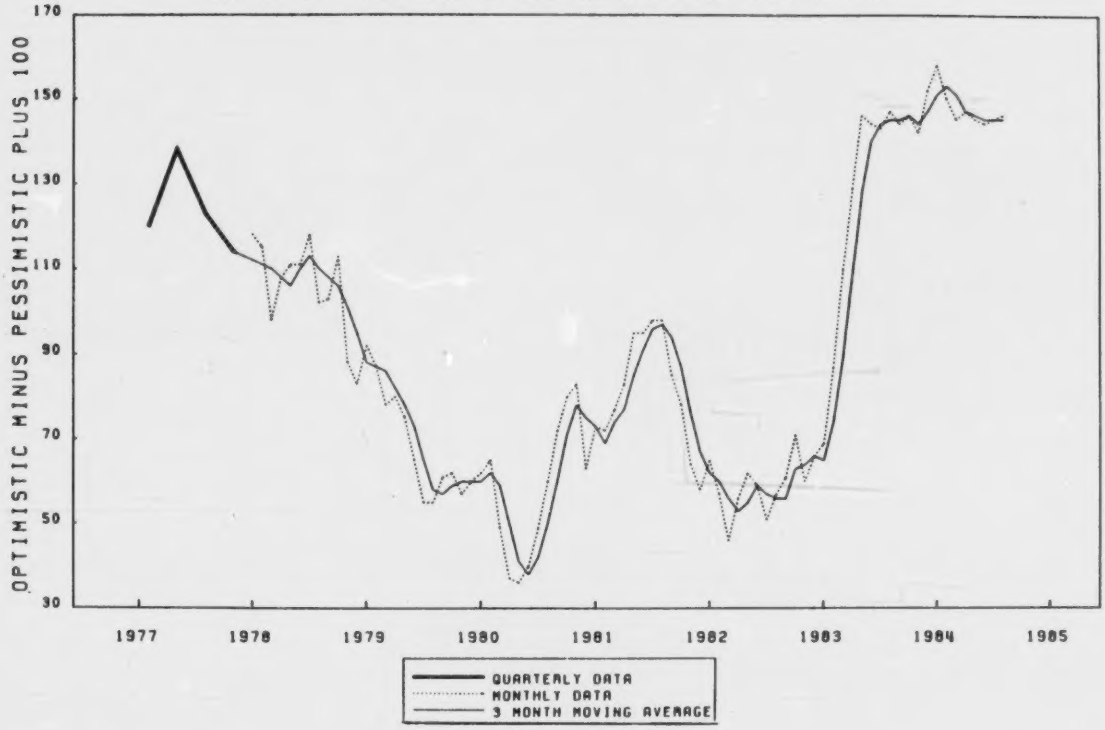
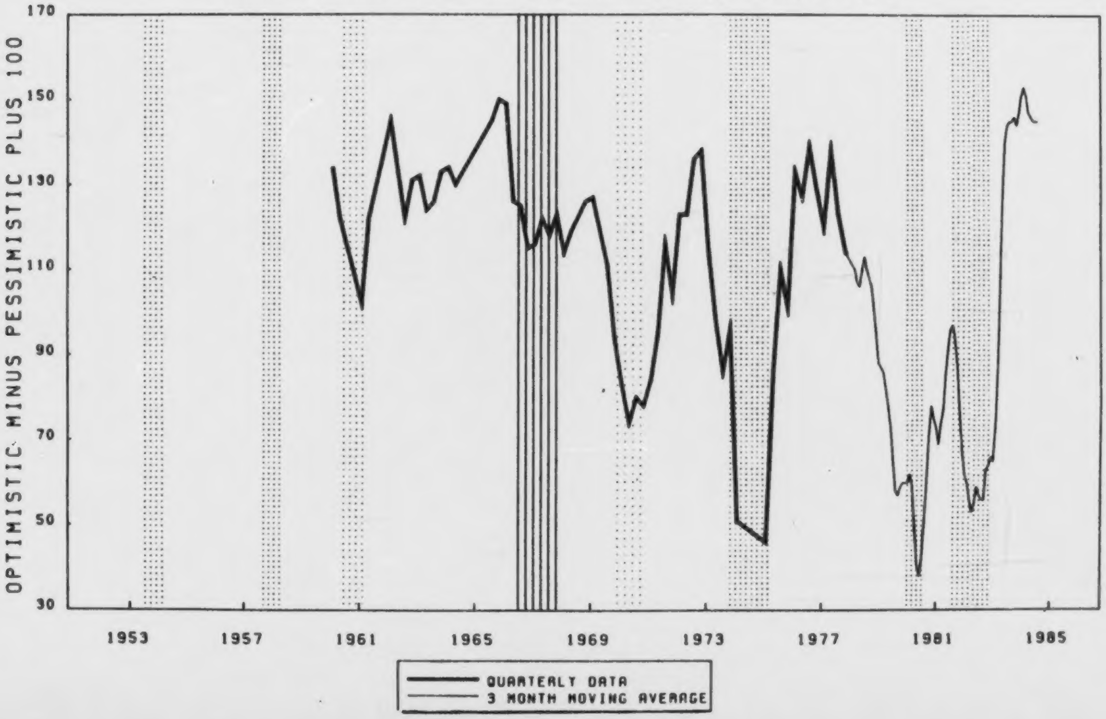


CHART 17 - HISTORICAL SERIES
TREND IN PAST AND EXPECTED BUSINESS CONDITIONS



## TABLE 17

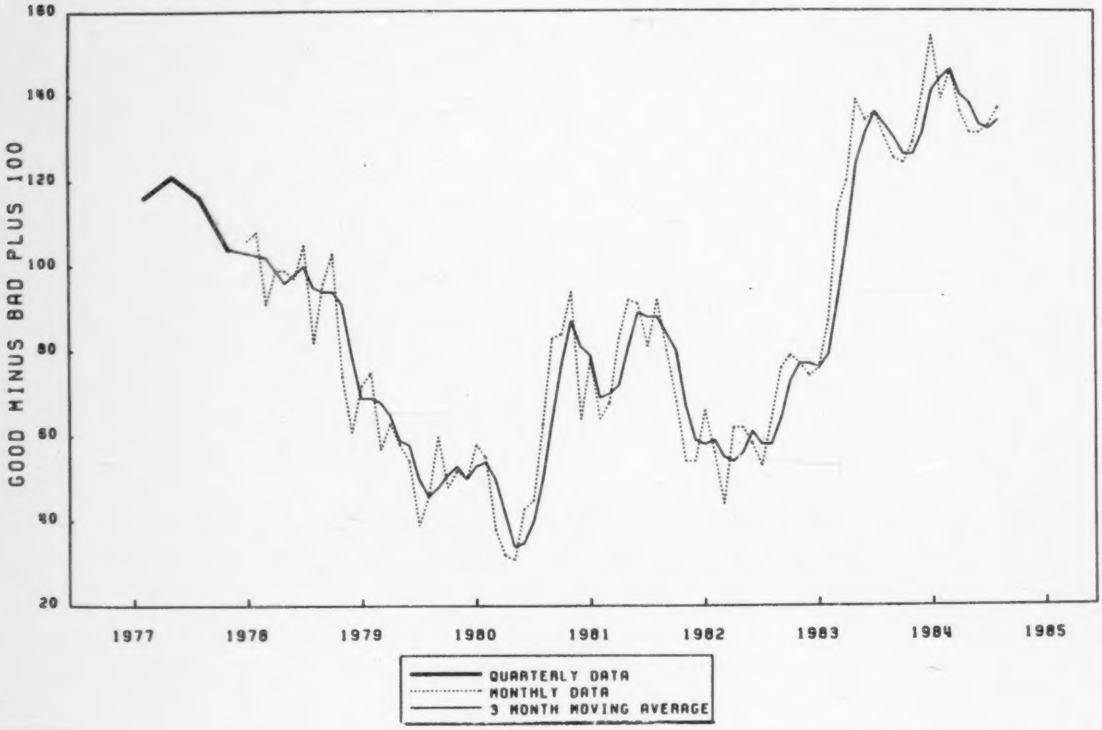
## TREND IN PAST AND EXPECTED CHANGES IN BUSINESS CONDITIONS

| | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 | July 1984 | Aug. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| TREND: | | | | | | | | | | | | | |
| Continuous increase (a) | 38% | 34% | 39% | 36% | 38% | 41% | 32% | 31% | 25% | 27% | 25% | 25% | 25% |
| Intermittent increase (b) | 27 | 28 | 26 | 27 | 30 | 31 | 34 | 32 | 39 | 36 | 37 | 38 | 36 |
| Remain unchanged (c) | 6 | 7 | 5 | 4 | 6 | 4 | 5 | 6 | 7 | 7 | 7 | 4 | 6 |
| Intermittent decline (d) | 12 | 12 | 13 | 17 | 12 | 10 | 12 | 14 | 10 | 13 | 11 | 12 | 10 |
| Continuous decline (e) | 6 | 6 | 6 | 4 | 4 | 4 | 4 | 4 | 7 | 5 | 7 | 6 | 5 |
| Mixed change (f) | 9 | 10 | 7 | 9 | 7 | 7 | 10 | 10 | 9 | 10 | 9 | 9 | 12 |
| DK,NA | 2 | 3 | 4 | 3 | 3 | 3 | 3 | 3 | 3 | 2 | 4 | 6 | 6 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 | 690 | 680 | 656 | 693 |

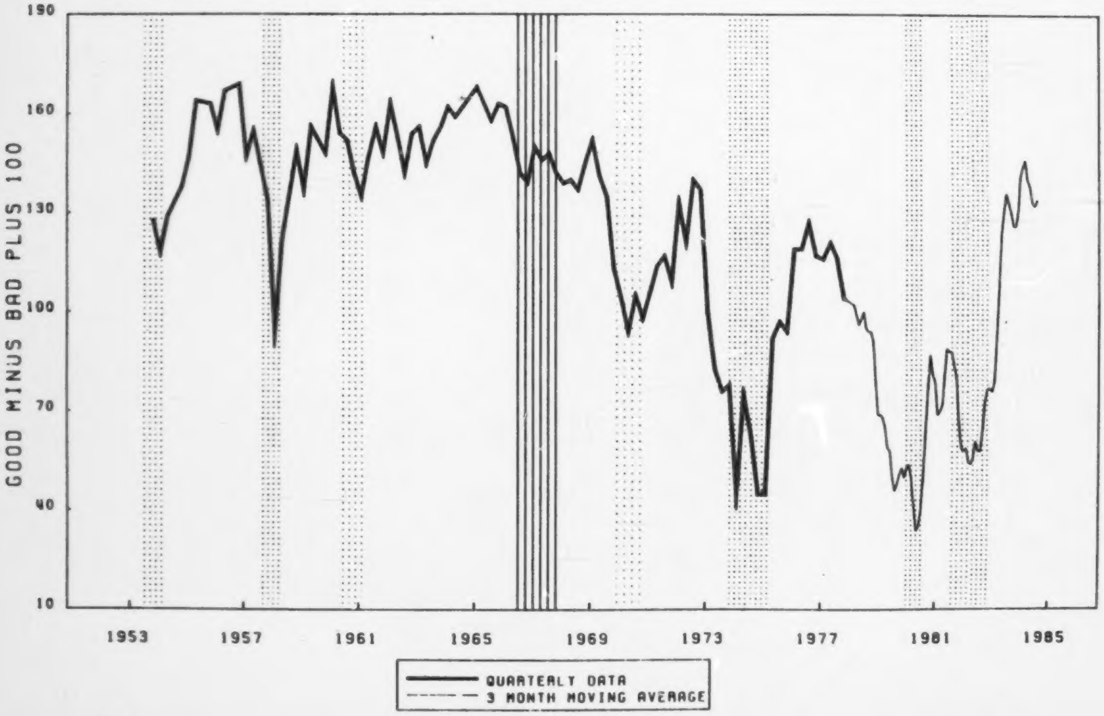
Combination of the responses to the questions on Tables 14 and 15.

Key: (a) Better than a year ago/Better a year from now
(b) Better/Same or Same/Better
(c) Same/Same
(d) Worse/Same or Same/Worse
(e) Worse/Worse
(f) Worse/Better or Better/Worse

## CHART 18 - RECENT CHANGES
## BUSINESS CONDITIONS EXPECTED DURING THE NEXT TWELVE MONTHS



## CHART 18 - HISTORICAL SERIES
## BUSINESS CONDITIONS EXPECTED DURING THE NEXT TWELVE MONTHS



## TABLE 18

## BUSINESS CONDITIONS EXPECTED DURING THE NEXT 12 MONTHS

| | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 | July 1984 | Aug. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| GOOD TIMES | 60% | 58% | 58% | 59% | 67% | 73% | 65% | 69% | 63% | 60% | 60% | 61% | 62% |
| UNCERTAIN; GOOD & BAD | 3 | 2 | 3 | 3 | 2 | 2 | 2 | 2 | 3 | 3 | 2 | 2 | 3 |
| BAD TIMES | 30 | 33 | 34 | 30 | 27 | 19 | 26 | 23 | 27 | 29 | 29 | 28 | 25 |
| DON'T KNOW | 5 | 5 | 4 | 6 | 3 | 5 | 5 | 4 | 5 | 5 | 6 | 6 | 7 |
| NOT ASCERTAINED | 2 | 2 | 1 | 2 | 1 | 1 | 2 | 2 | 2 | 3 | 3 | 3 | 3 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 | 690 | 680 | 656 | 693 |

The question was: "Now turning to business conditions in the country as a whole--do you think that during the next 12 months we'll have good times financially, or bad times or what?"

CHART 19 - RECENT CHANGES
BUSINESS CONDITIONS EXPECTED FOR THE NEXT FIVE YEARS

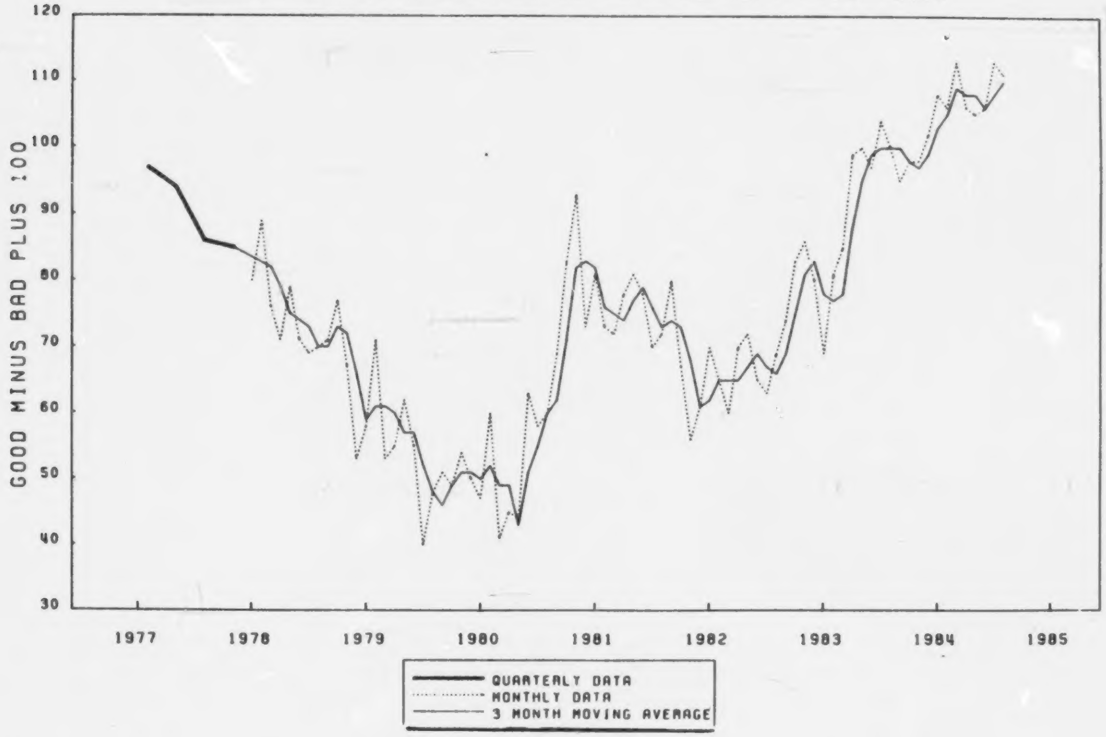
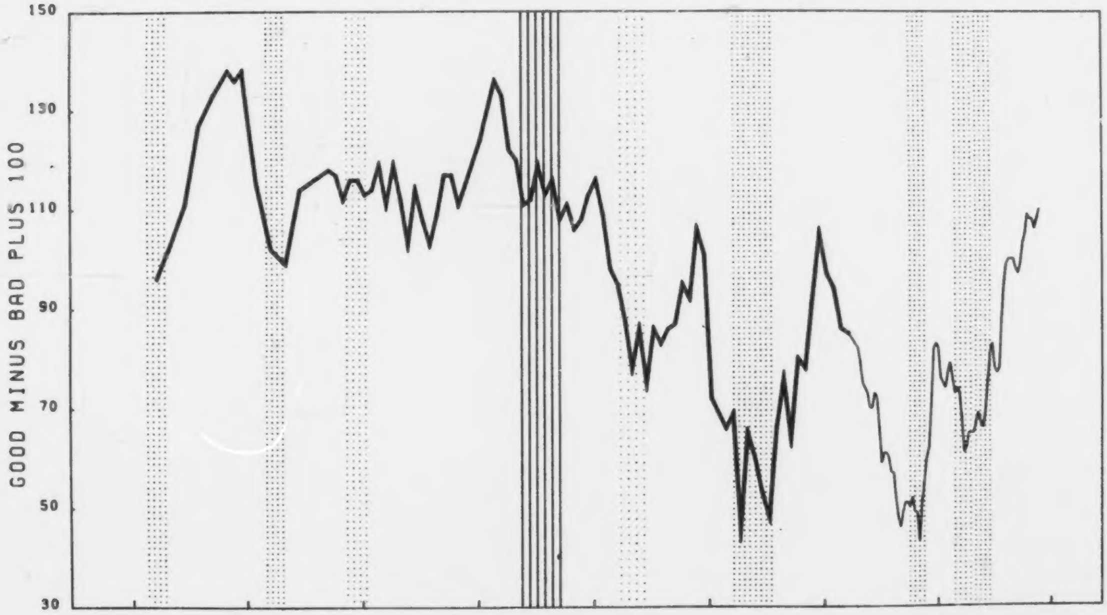


CHART 19 - HISTORICAL SERIES
BUSINESS CONDITIONS EXPECTED FOR THE NEXT FIVE YEARS



## TABLE 19

### BUSINESS CONDITIONS EXPECTED DURING THE NEXT FIVE YEARS

| | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 | July 1984 | Aug. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| GOOD TIMES | 37% | 37% | 39% | 39% | 39% | 44% | 42% | 47% | 41% | 43% | 42% | 44% | 47% |
| UNCERTAIN; GOOD & BAD | 22 | 19 | 17 | 15 | 21 | 17 | 16 | 15 | 19 | 15 | 17 | 19 | 13 |
| BAD TIMES | 37 | 42 | 41 | 41 | 37 | 36 | 36 | 34 | 35 | 38 | 36 | 31 | 36 |
| NOT ASCERTAINED | 4 | 2 | 3 | 5 | 3 | 3 | 6 | 4 | 5 | 4 | 5 | 6 | 4 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 | 690 | 680 | 656 | 693 |

The question was: "Looking ahead, which would you say is more likely--that in the country as a whole we'll have continuous good times during the next 5 years or so, or that we will have periods of widespread unemployment or depression, or what?"

CHART 20 - RECENT CHANGES
EXPECTED CHANGE IN UNEMPLOYMENT

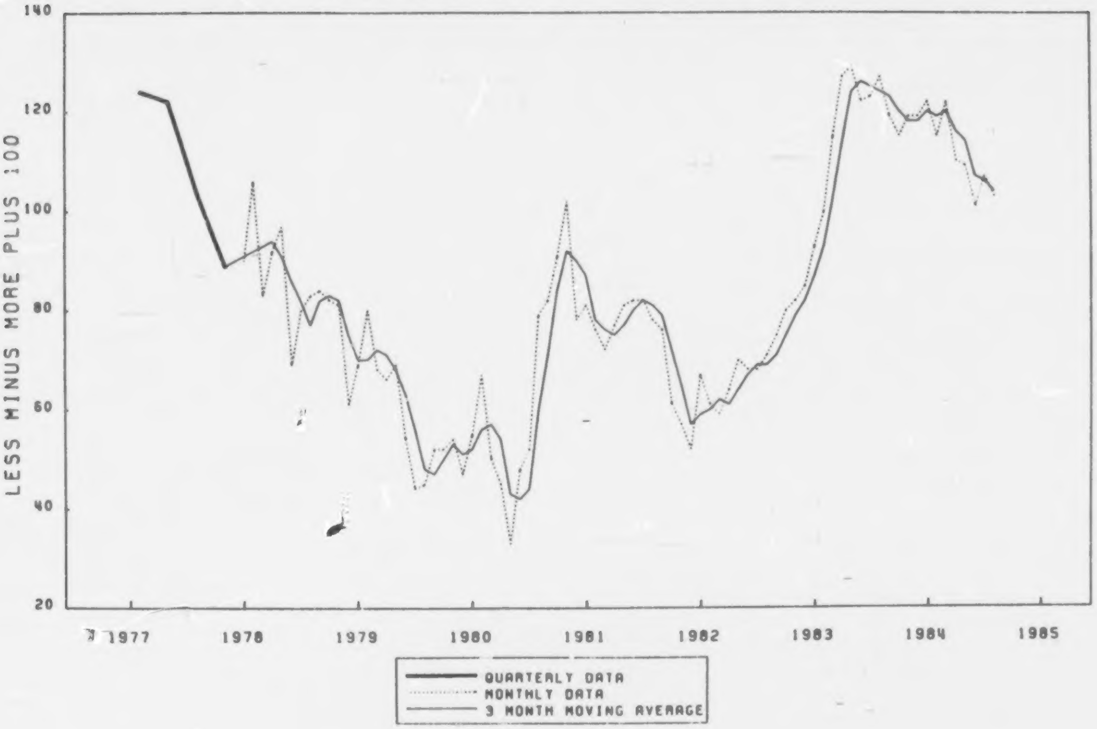
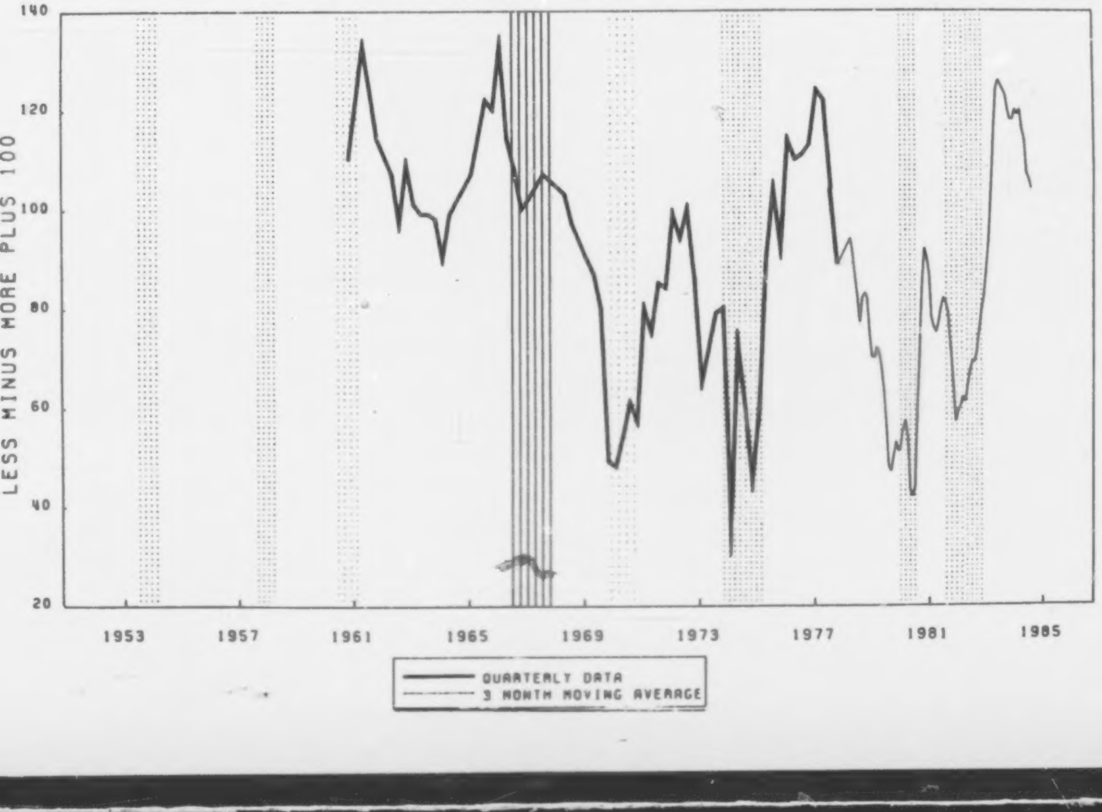


CHART 20 - HISTORICAL SERIES
EXPECTED CHANGE IN UNEMPLOYMENT



## TABLE 20

## EXPECTED CHANGE IN UNEMPLOYMENT

| | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 | July 1984 | Aug. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| LESS | 42% | 36% | 35% | 35% | 36% | 36% | 31% | 38% | 28% | 29% | 24% | 26% | 24% |
| SAME | 40 | 46 | 44 | 47 | 45 | 48 | 50 | 45 | 52 | 51 | 52 | 53 | 54 |
| MORE | 15 | 17 | 20 | 16 | 17 | 14 | 16 | 16 | 18 | 20 | 23 | 19 | 21 |
| DK,NA | 3 | 1 | 1 | 2 | 2 | 2 | 3 | 1 | 2 | * | 1 | 2 | 1 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 | 690 | 680 | 656 | 693 |

The question was: "How about people out of work during the coming 12 months--do you think that there will be more unemployment than now, about the same, or less?"

* : Less than half of one percent.

CHART 21 - RECENT CHANGES
EXPECTED CHANGE IN INTEREST RATES

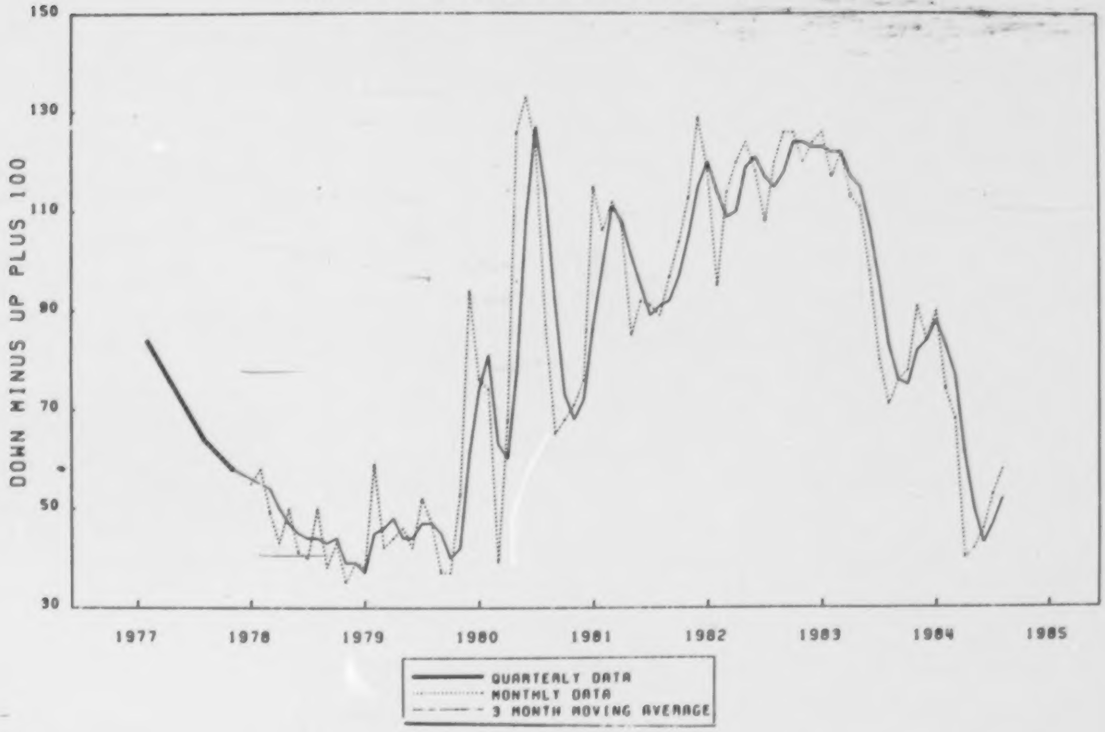
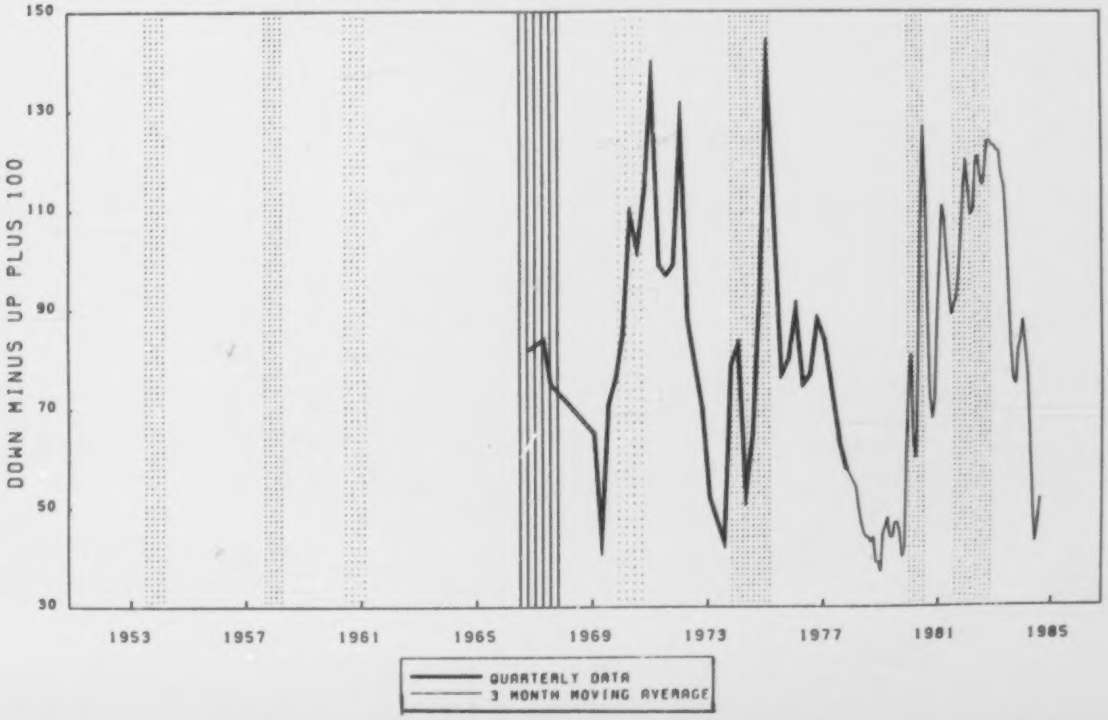


CHART 21 - HISTORICAL SERIES
EXPECTED CHANGE IN INTEREST RATES



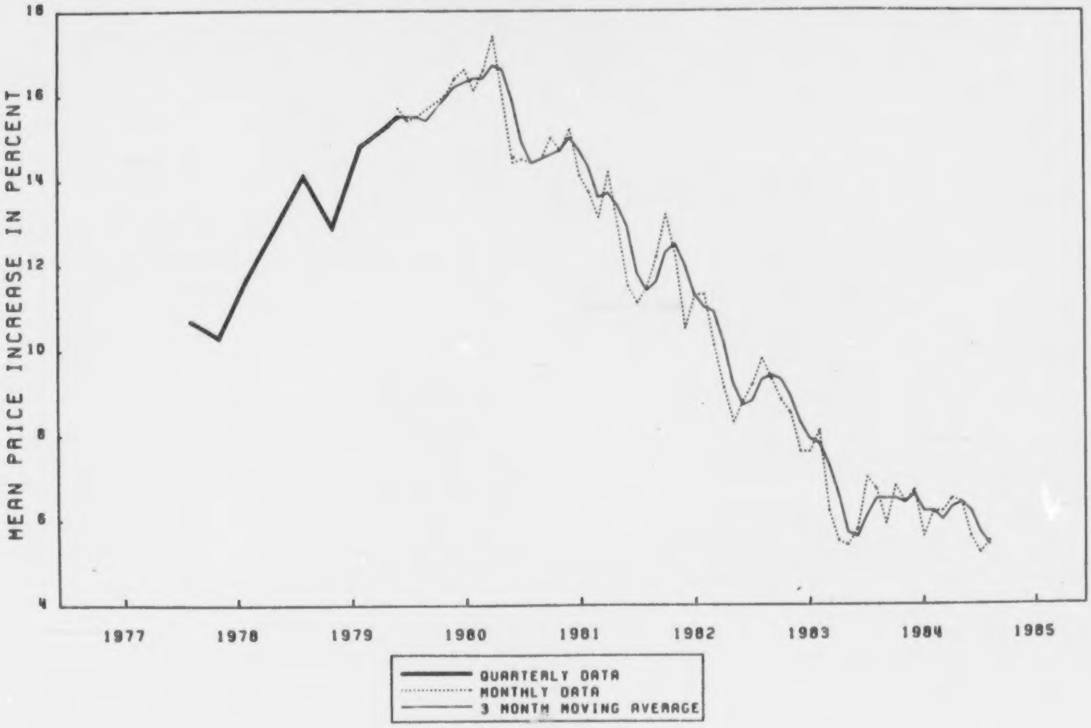
## TABLE 21

## EXPECTED CHANGE IN INTEREST RATES

| | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 | July 1984 | Aug. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| GO UP | 47% | 44% | 43% | 33% | 37% | 32% | 42% | 45% | 68% | 66% | 64% | 58% | 55% |
| STAY THE SAME | 32 | 33 | 33 | 40 | 37 | 43 | 38 | 37 | 21 | 25 | 24 | 27 | 29 |
| GO DOWN | 18 | 20 | 21 | 24 | 21 | 22 | 16 | 13 | 8 | 8 | 10 | 11 | 13 |
| DK,NA | 3 | 3 | 3 | 3 | 5 | 3 | 4 | 5 | 3 | 1 | 2 | 4 | 3 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 | 690 | 680 | 656 | 693 |

The question was: "No one can say for sure, but what do you think will happen to interest rates for borrowing money during the next 12 months--will they go up, stay the same, or go down?"

## CHART 22 - RECENT CHANGES
## CHANGE IN PRICES DURING THE LAST 12 MONTHS



# TABLE 22

## CHANGE IN PRICES DURING THE LAST 12 MONTHS

| | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 | July 1984 | Aug. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| SAME OR DOWN | 25% | 25% | 21% | 24% | 24% | 23% | 23% | 23% | 22% | 23% | 22% | 27% | 29% |
| GONE UP BY: | | | | | | | | | | | | | |
| 1-2% | 8 | 11 | 8 | 9 | 8 | 12 | 9 | 8 | 10 | 10 | 12 | 8 | 10 |
| 3-4% | 14 | 13 | 14 | 13 | 15 | 16 | 14 | 16 | 14 | 14 | 17 | 17 | 12 |
| 5% | 16 | 15 | 16 | 15 | 15 | 17 | 17 | 15 | 17 | 17 | 16 | 16 | 18 |
| 6-9% | 8 | 7 | 11 | 8 | 8 | 8 | 9 | 10 | 11 | 9 | 8 | 8 | 8 |
| 10-14% | 13 | 12 | 14 | 14 | 11 | 9 | 14 | 12 | 9 | 13 | 12 | 11 | 11 |
| 15% or more | 11 | 9 | 11 | 9 | 10 | 7 | 9 | 9 | 12 | 10 | 8 | 8 | 7 |
| DK how much up | 5 | 7 | 4 | 7 | 8 | 7 | 5 | 7 | 5 | 4 | 5 | 4 | 5 |
| DK,NA | * | 1 | 1 | 1 | 1 | 1 | * | * | * | * | * | 1 | * |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| MEAN INCREASE | 6.7 | 5.9 | 6.8 | 6.4 | 6.7 | 5.6 | 6.2 | 6.2 | 6.5 | 6.4 | 5.6 | 5.2 | 5.5 |
| VARIANCE | 93 | 71 | 81 | 76 | 90 | 69 | 68 | 72 | 75 | 78 | 54 | 48 | 75 |
| CASES | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 | 690 | 680 | 656 | 693 |

The questions were: "During the last 12 months, have prices of the things you buy remained unchanged, or have they gone up, or have they gone down?" and "By about what percent do you think prices have gone up,on the average, during the last 12 months?"

* : Less than half of one percent.

CHART 23 - RECENT CHANGES
MEAN EXPECTED PRICE INCREASE OVER THE NEXT 12 MONTHS

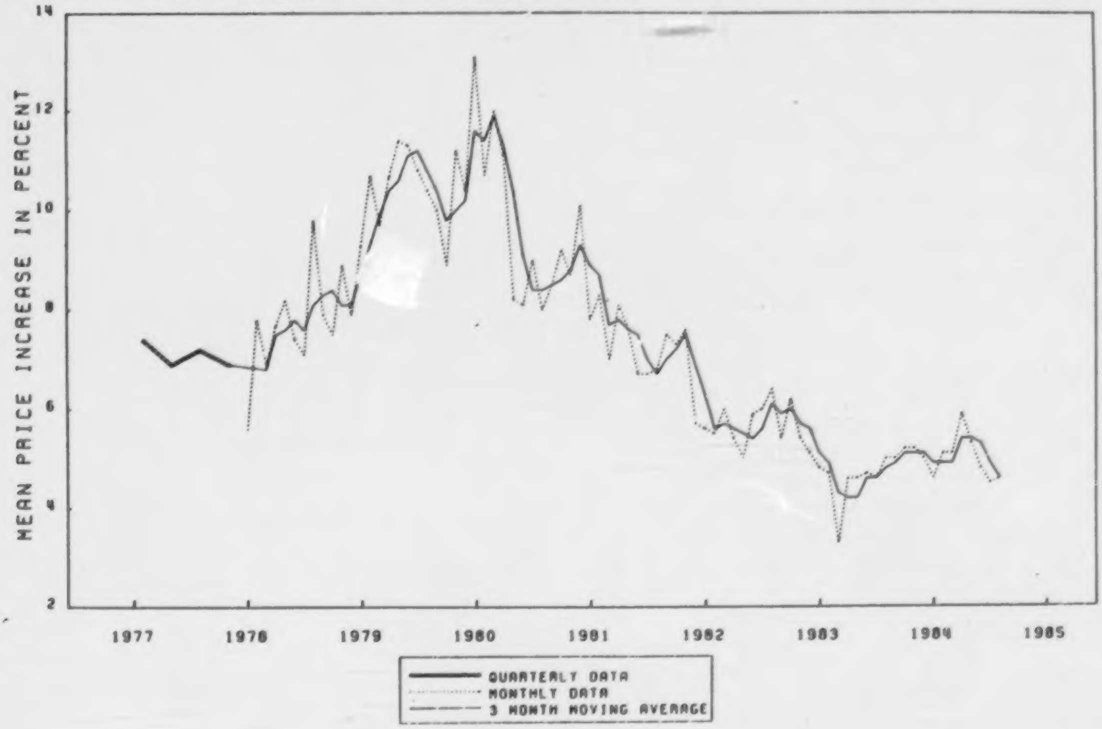
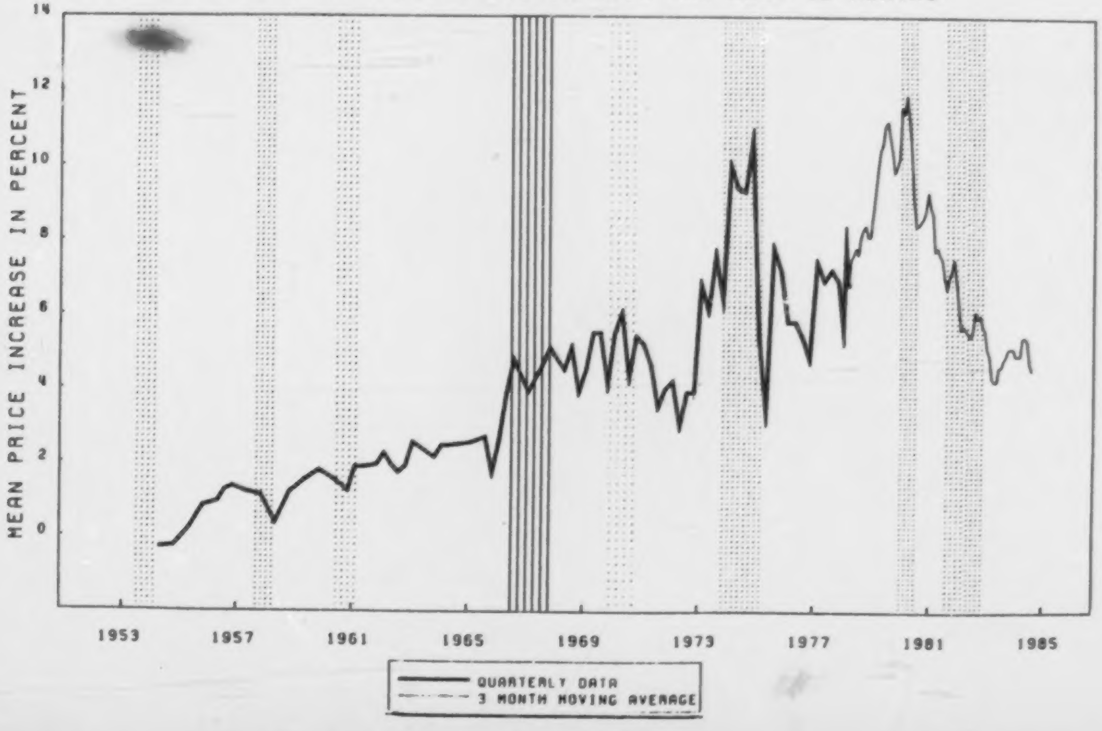


CHART 23 - HISTORICAL SERIES
MEAN EXPECTED PRICE INCREASE OVER THE NEXT 12 MONTHS



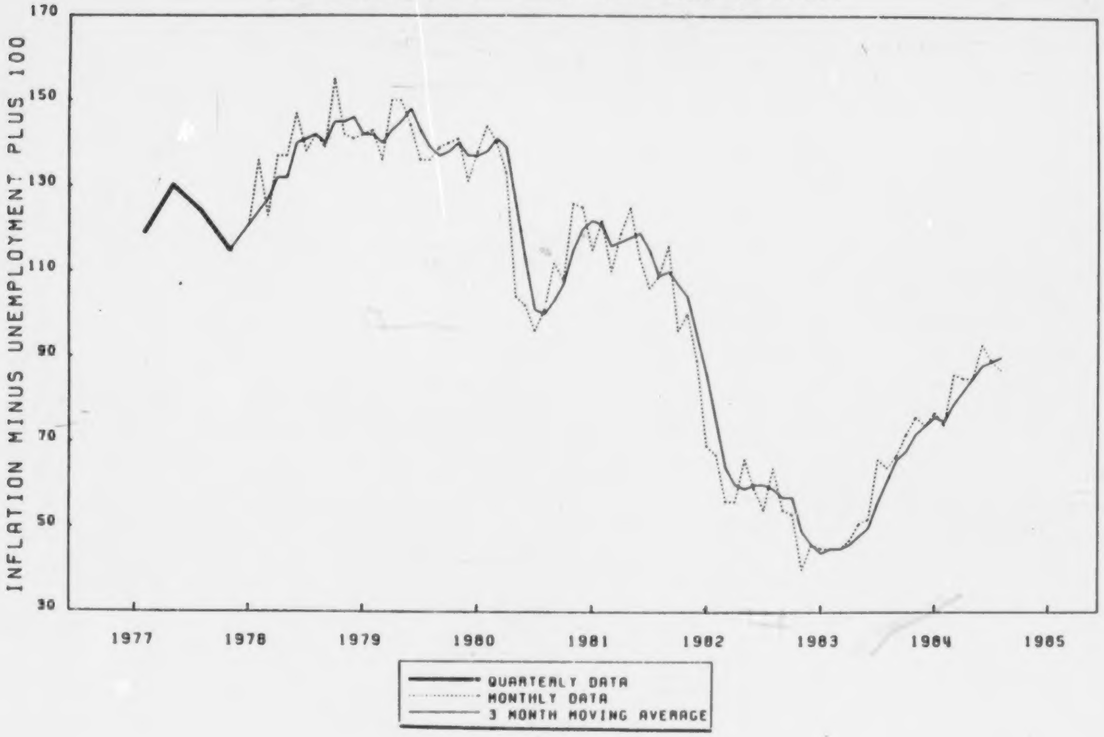
## TABLE 23

## EXPECTED CHANGE IN PRICES DURING THE NEXT 12 MONTHS

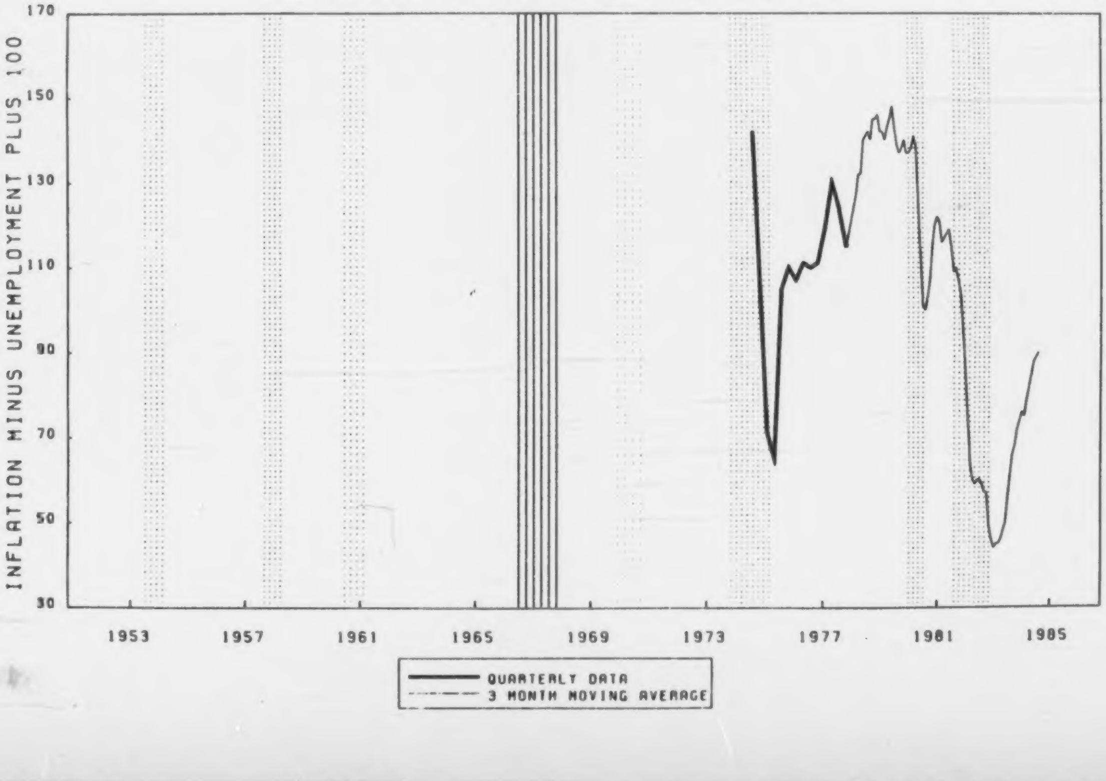
| | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 | July 1984 | Aug. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| SAME OR DOWN | 23% | 28% | 24% | 25% | 23% | 25% | 23% | 24% | 19% | 19% | 19% | 23% | 24% |
| WILL GO UP BY: | | | | | | | | | | | | | |
| 1-2% | 14 | 13 | 12 | 12 | 12 | 13 | 14 | 14 | 13 | 15 | 14 | 13 | 18 |
| 3-4% | 16 | 14 | 15 | 14 | 15 | 20 | 19 | 16 | 17 | 15 | 16 | 17 | 15 |
| 5% | 16 | 16 | 15 | 16 | 17 | 13 | 19 | 15 | 15 | 20 | 18 | 20 | 18 |
| 6-9% | 9 | 7 | 10 | 9 | 8 | 9 | 6 | 10 | 12 | 11 | 11 | 8 | 6 |
| 10-14% | 9 | 10 | 11 | 11 | 11 | 10 | 8 | 11 | 11 | 9 | 13 | 8 | 8 |
| 15% or more | 6 | 7 | 8 | 6 | 5 | 4 | 6 | 5 | 8 | 6 | 4 | 5 | 5 |
| DK how much up | 5 | 4 | 4 | 5 | 7 | 4 | 4 | 4 | 3 | 4 | 4 | 3 | 5 |
| DK,NA | 2 | 1 | 1 | 2 | 2 | 2 | 1 | 1 | 2 | 1 | 1 | 3 | 1 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| MEAN INCREASE | 5.0 | 5.0 | 5.2 | 5.2 | 5.0 | 4.6 | 5.1 | 5.1 | 5.9 | 5.3 | 4.8 | 4.5 | 4.6 |
| VARIANCE | 47 | 51 | 36 | 54 | 44 | 40 | 51 | 55 | 57 | 49 | 27 | 33 | 46 |
| CASES | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 | 690 | 680 | 656 | 693 |

The questions were: "During the next 12 months, do you think that prices in general will go up, or go down, or stay where they are now?" and "By about what percent do you expect prices to go up, on the average, during the next 12 months?"

## CHART 24 - RECENT CHANGES
## UNEMPLOYMENT OR INFLATION MORE SERIOUS



## CHART 24 - HISTORICAL SERIES
## UNEMPLOYMENT OR INFLATION MORE SERIOUS



## TABLE 24

## UNEMPLOYMENT OR INFLATION MORE SERIOUS ECONOMIC HARDSHIP

| | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 | July 1984 | Aug. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| UNEMPLOYMENT | 65% | 62% | 61% | 57% | 59% | 58% | 59% | 52% | 53% | 54% | 51% | 51% | 52% |
| BOTH EQUALLY SERIOUS | 5 | 8 | 5 | 7 | 6 | 4 | 5 | 7 | 7 | 6 | 3 | 7 | 6 |
| INFLATION | 29 | 29 | 33 | 33 | 33 | 35 | 33 | 38 | 38 | 39 | 44 | 40 | 39 |
| DK,NA | 1 | 1 | 1 | 3 | 2 | 3 | 3 | 3 | 2 | 1 | 2 | 2 | 3 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 | 690 | 680 | 656 | 693 |

The question was: "Which of the two problems--unemployment or inflation--do you think will cause the more serious economic hardship for people during the next year or so?"

CHART 25 - RECENT CHANGES
OPINIONS ABOUT THE GOVERNMENT'S ECONOMIC POLICY

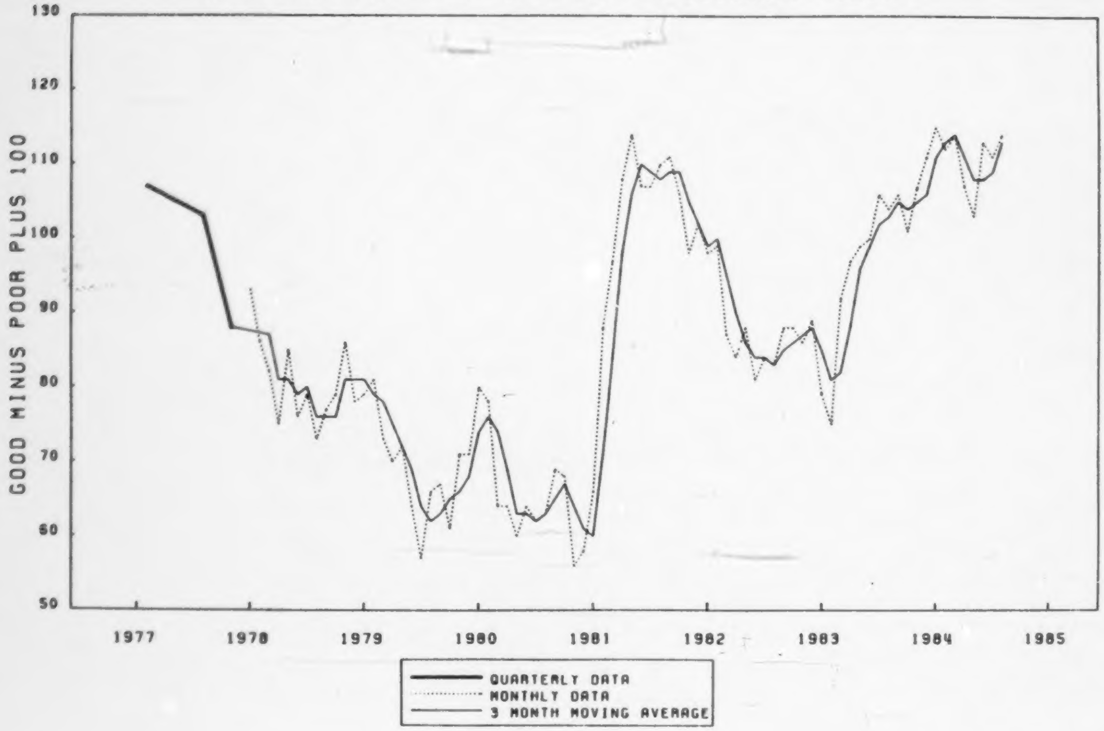
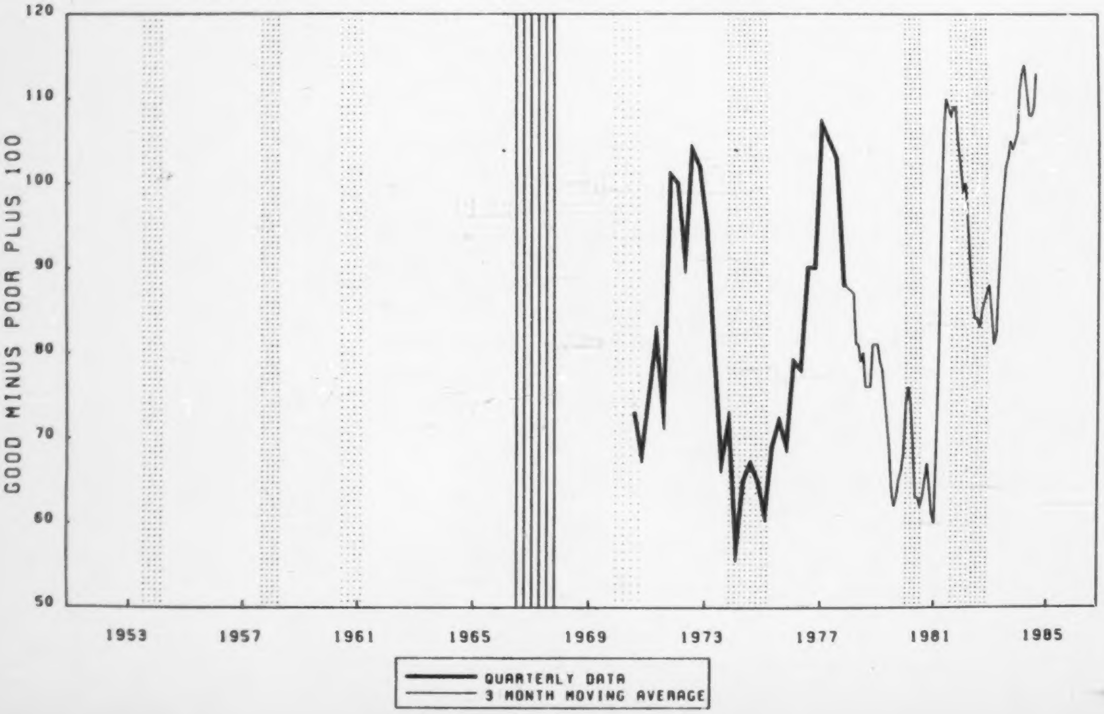


CHART 25 - HISTORICAL SERIES
OPINIONS ABOUT THE GOVERNMENT'S ECONOMIC POLICY



## TABLE 25

## OPINIONS ABOUT THE GOVERNMENT'S ECONOMIC POLICY

| | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 | July 1984 | Aug. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| A GOOD JOB | 27% | 27% | 25% | 27% | 29% | 31% | 32% | 33% | 27% | 25% | 31% | 30% | 33% |
| ONLY FAIR | 48 | 50 | 50 | 49 | 51 | 52 | 45 | 47 | 50 | 52 | 49 | 48 | 46 |
| A POOR JOB | 23 | 21 | 24 | 20 | 18 | 16 | 20 | 19 | 20 | 22 | 18 | 19 | 19 |
| DK,NA | 2 | 2 | 1 | 4 | 2 | 1 | 3 | 1 | 3 | 1 | 2 | 3 | 2 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 | 690 | 680 | 656 | 693 |

The question was: "As to the economic policy of the government--I mean steps taken to fight inflation or unemployment--would you say the government is doing a good job, only fair, or a poor job?"

CHART 26 - RECENT CHANGES
BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS

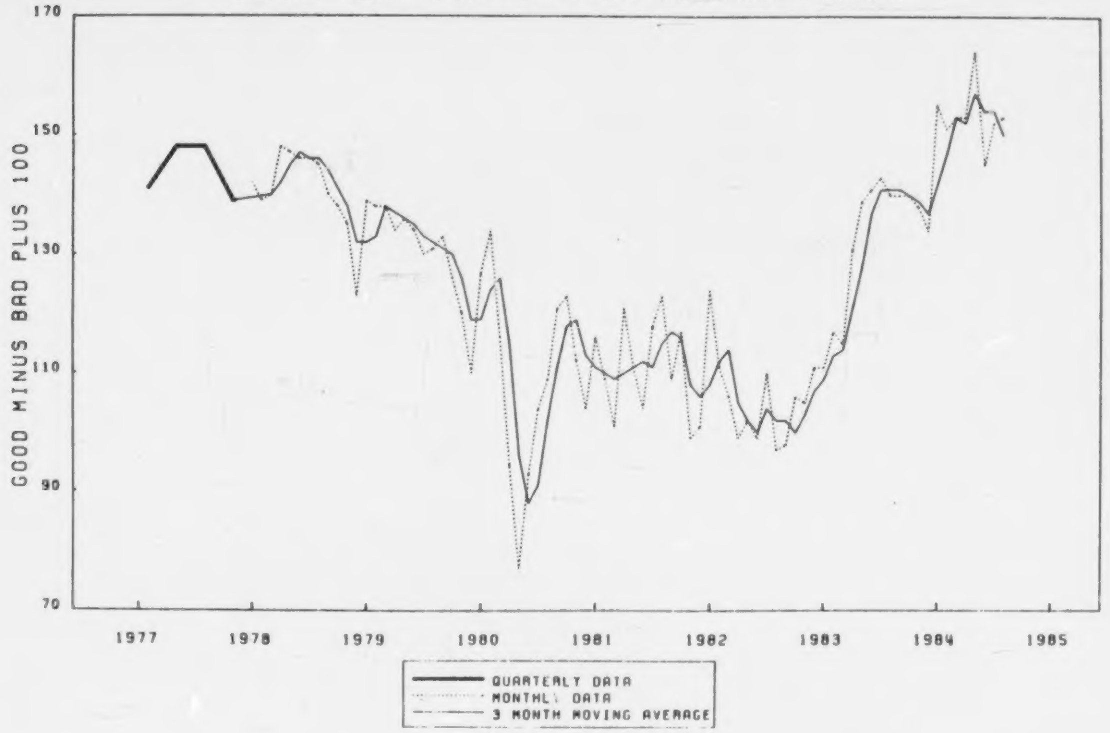
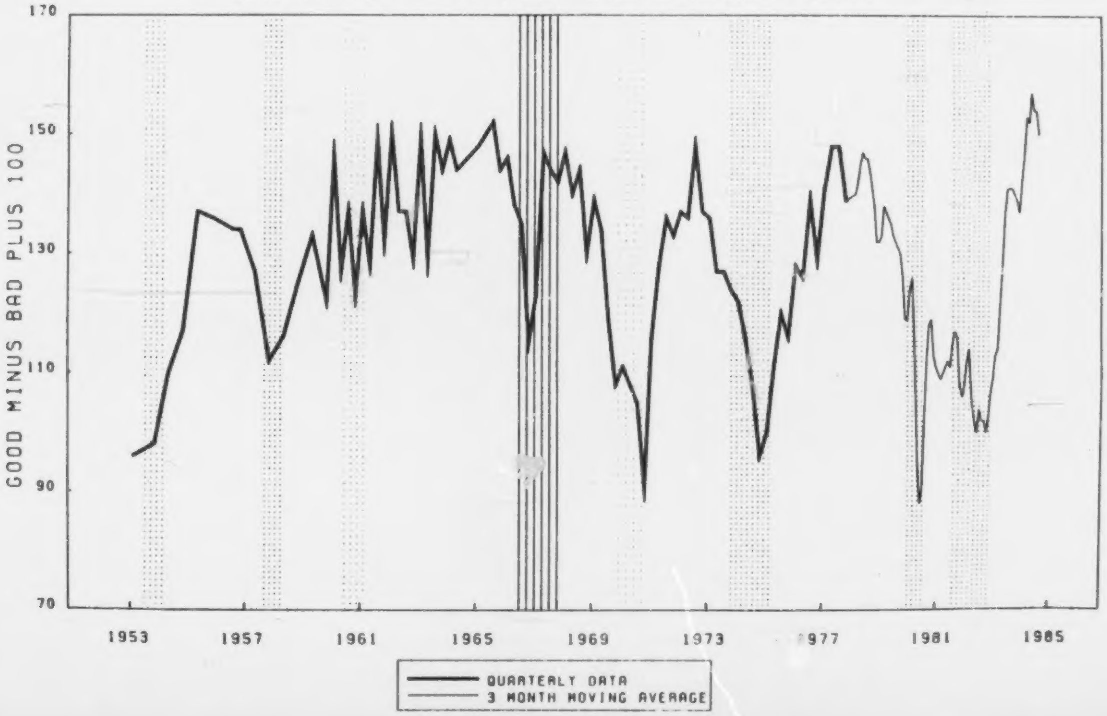


CHART 26 - HISTORICAL SERIES
BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS



## TABLE 26

## BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS

| | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 | July 1984 | Aug. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| GOOD TIME TO BUY | 64% | 66% | 65% | 64% | 61% | 73% | 70% | 72% | 72% | 77% | 67% | 71% | 72% |
| UNCERTAIN, DEPENDS | 12 | 8 | 10 | 10 | 12 | 9 | 11 | 9 | 9 | 10 | 11 | 10 | 9 |
| BAD TIME TO BUY | 24 | 26 | 25 | 26 | 27 | 18 | 19 | 19 | 19 | 13 | 22 | 19 | 19 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 | 690 | 680 | 656 | 693 |

The question was: "About the big things people buy for their homes--such as furniture, a refrigerator, stove, television, and things like that. Generally speaking, do you think now is a good or a bad time for people to buy major household items?"

CHART 27A - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR DURABLES

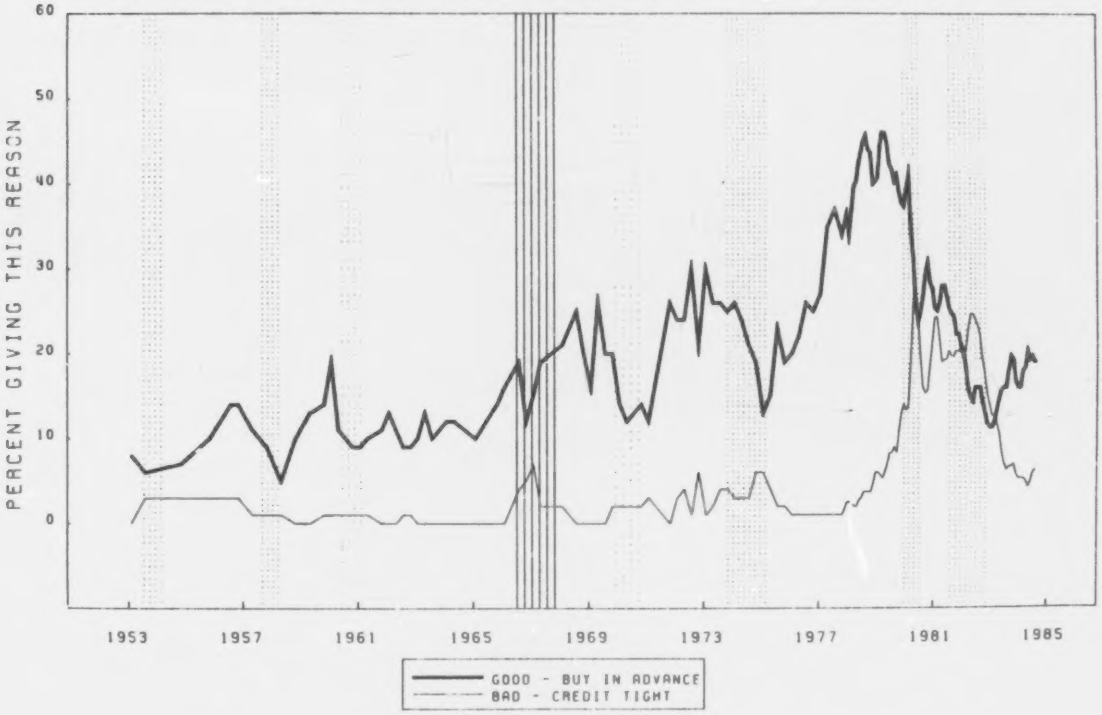
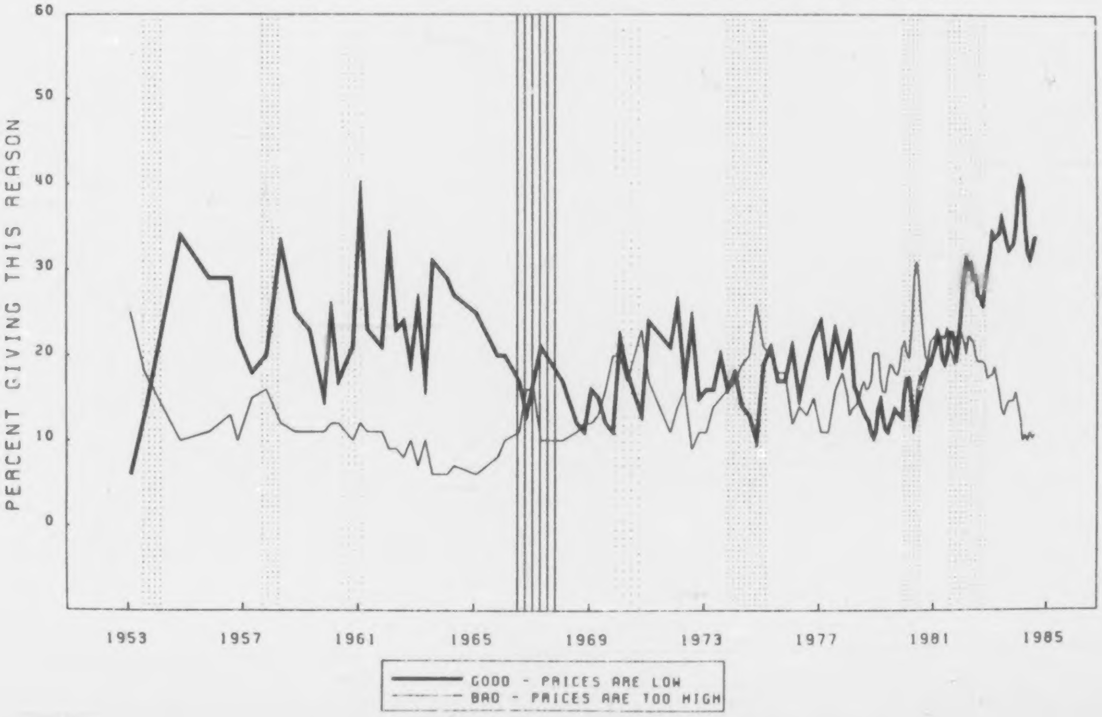


CHART 27B - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR DURABLES



## TABLE 27

## SELECTED REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS +

| | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 | July 1984 | Aug. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| GOOD TIME TO BUY: | | | | | | | | | | | | | |
| Prices are low; good buys available | 33% | 32% | 33% | 34% | 38% | 45% | 39% | 35% | 30% | 31% | 33% | 33% | 35% |
| Prices won't come down; are going higher | 17 | 21 | 21 | 16 | 13 | 19 | 16 | 19 | 20 | 22 | 16 | 21 | 20 |
| Interest rates low; credit is easy | 12 | 12 | 7 | 8 | 7 | 9 | 11 | 10 | 14 | 11 | 11 | 10 | 8 |
| BAD TIME TO BUY: | | | | | | | | | | | | | |
| Prices are high | 15 | 15 | 14 | 15 | 18 | 10 | 10 | 10 | 12 | 8 | 13 | 10 | 9 |
| Interest rates are high; credit is tight | 6 | 7 | 7 | 7 | 3 | 6 | 7 | 3 | 5 | 5 | 5 | 8 | 6 |
| Lack of purchasing power | 11 | 11 | 12 | 8 | 10 | 7 | 7 | 9 | 6 | 5 | 7 | 5 | 7 |

Responses to the query: "Why do you say so?" following the question on Table 26.

+ : May add to more than 100% due to multiple mentions.

CHART 28 - RECENT CHANGES
BUYING CONDITIONS FOR HOUSES

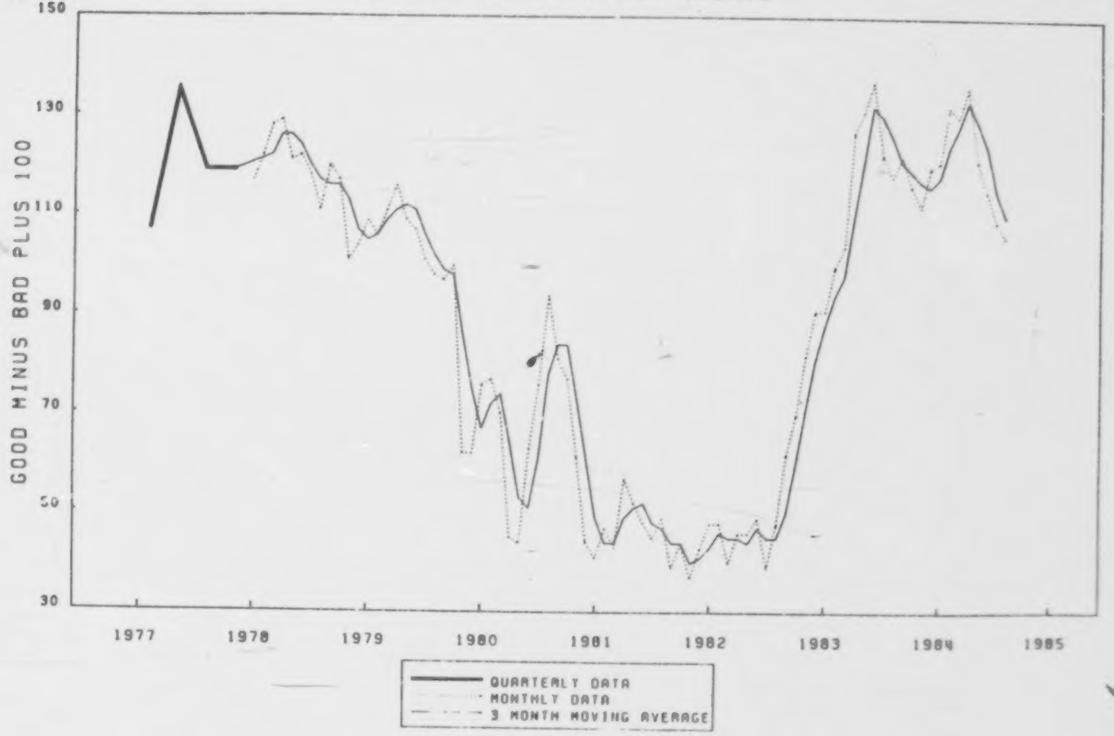
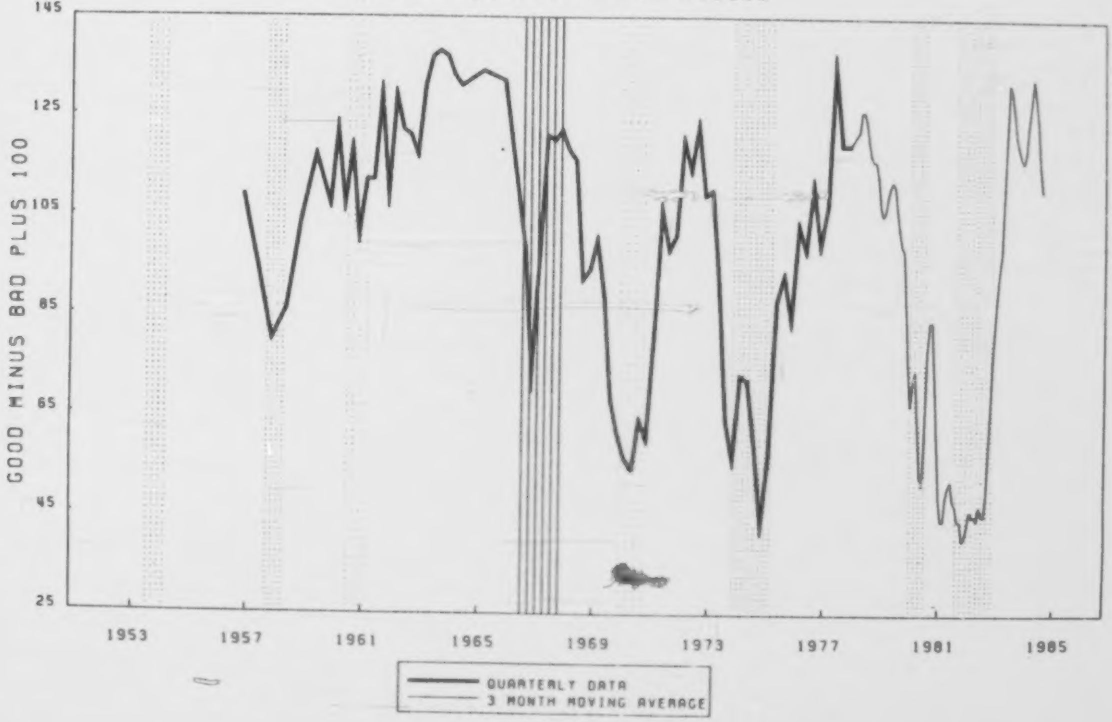


CHART 28 - HISTORICAL SERIES
BUYING CONDITIONS FOR HOUSES



## TABLE 28

## BUYING CONDITIONS FOR HOUSES

| | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 | July 1984 | Aug. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| GOOD TIME TO BUY | 57% | 59% | 55% | 53% | 57% | 59% | 63% | 62% | 66% | 58% | 55% | 52% | 50% |
| UNCERTAIN, DEPENDS | 4 | 4 | 6 | 6 | 6 | 3 | 6 | 6 | 4 | 5 | 5 | 5 | 6 |
| BAD TIME TO BUY | 39 | 37 | 39 | 41 | 37 | 38 | 31 | 32 | 30 | 37 | 40 | 43 | 44 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 | 690 | 680 | 656 | 693 |

The question was: "Generally speaking, do you think now is a good time or a bad time to buy a house?"

CHART 29A - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR HOUSES

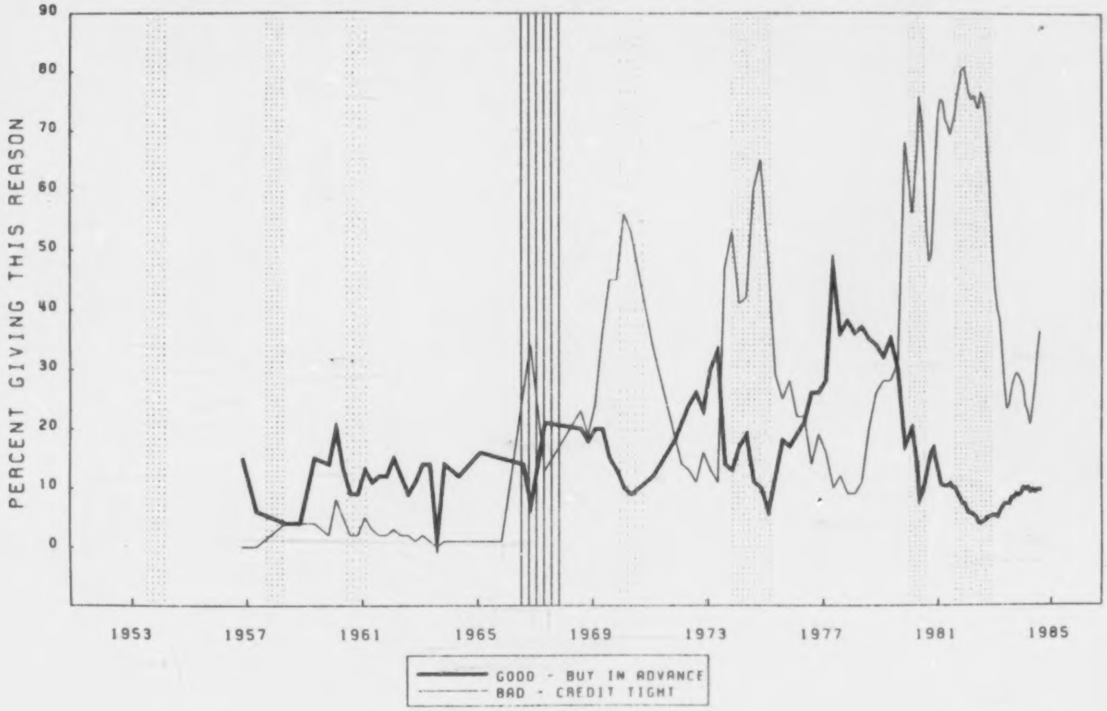
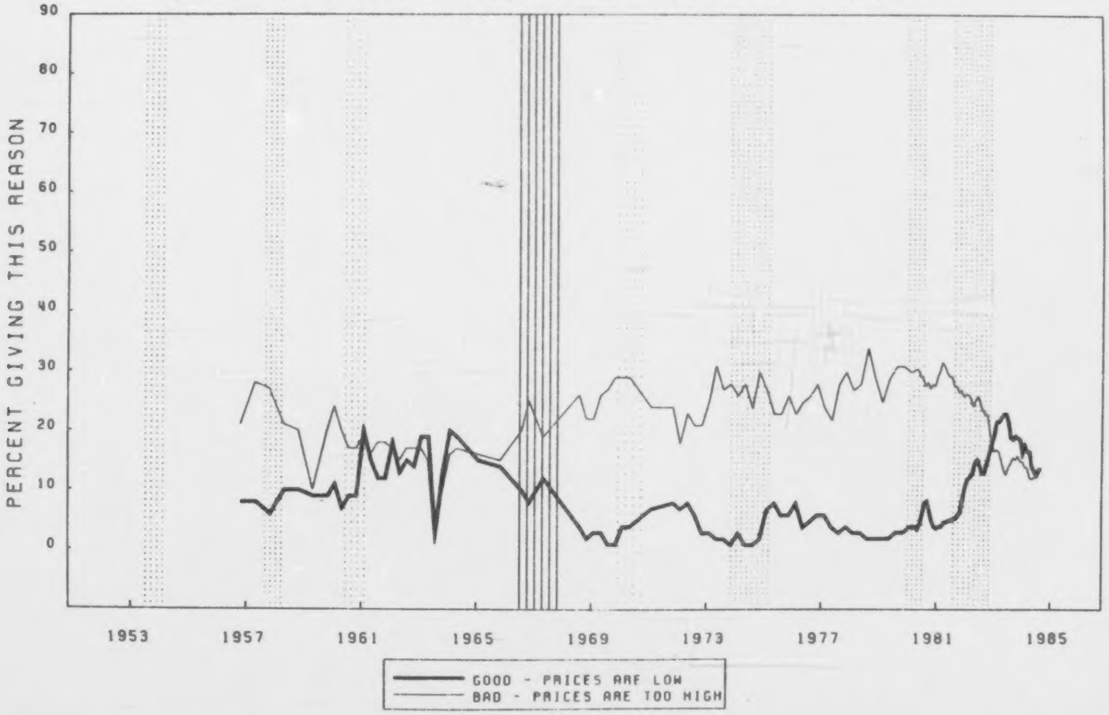


CHART 29B - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR HOUSES



# TABLE 29

## SELECTED REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR HOUSES +

| | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 | July 1984 | Aug. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| GOOD TIME TO BUY: | | | | | | | | | | | | | |
| Prices are low; good buys available | 17% | 19% | 22% | 16% | 18% | 15% | 20% | 15% | 15% | 12% | 13% | 13% | 15% |
| Prices won't come down; are going higher | 10 | 8 | 9 | 9 | 9 | 12 | 8 | 10 | 10 | 9 | 9 | 11 | 9 |
| Interest rates low; credit is easy | 44 | 47 | 38 | 40 | 41 | 41 | 50 | 49 | 52 | 44 | 38 | 37 | 35 |
| Good investment | 8 | 6 | 8 | 5 | 6 | 8 | 6 | 8 | 6 | 5 | 8 | 5 | 4 |
| BAD TIME TO BUY: | | | | | | | | | | | | | |
| Prices are high | 14 | 16 | 16 | 16 | 13 | 16 | 13 | 13 | 11 | 12 | 14 | 12 | 16 |
| Interest rates are high; credit is tight | 31 | 28 | 29 | 30 | 25 | 26 | 20 | 22 | 20 | 29 | 33 | 36 | 40 |
| Lack of purchasing power | 14 | 14 | 15 | 16 | 13 | 12 | 10 | 11 | 10 | 12 | 10 | 11 | 11 |

Responses to the query: "Why do you say so?" following the question on Table 28.

+ : May add to more than 100% due to multiple mentions.

CHART 30 - RECENT CHANGES
BUYING CONDITIONS FOR CARS

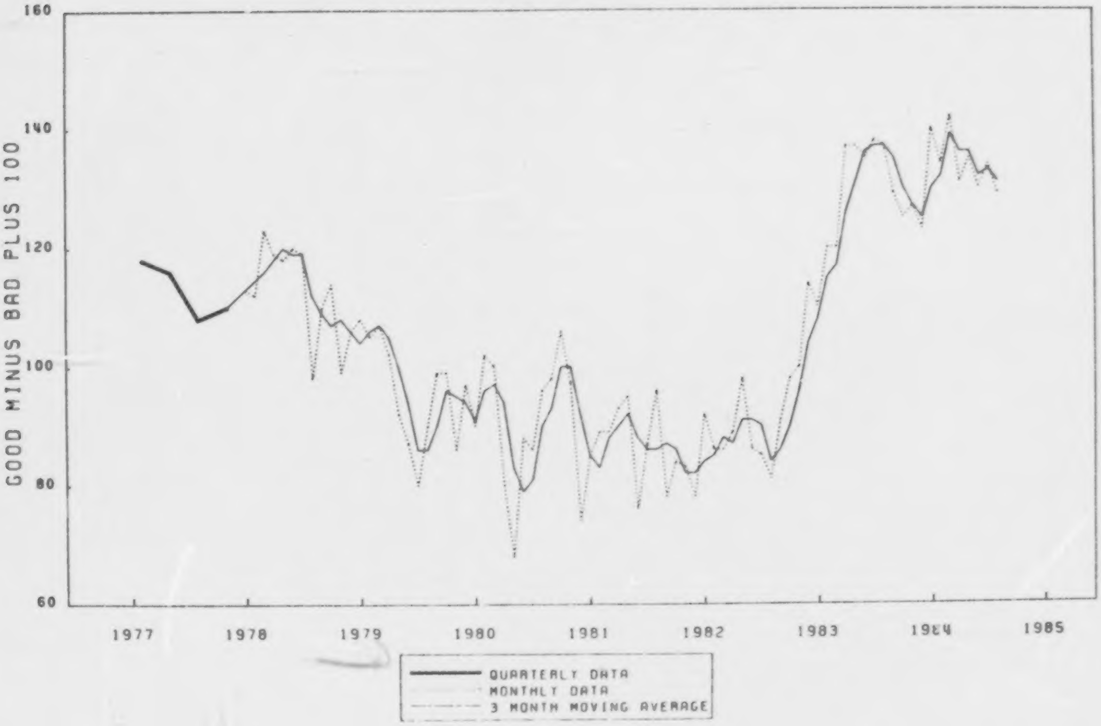
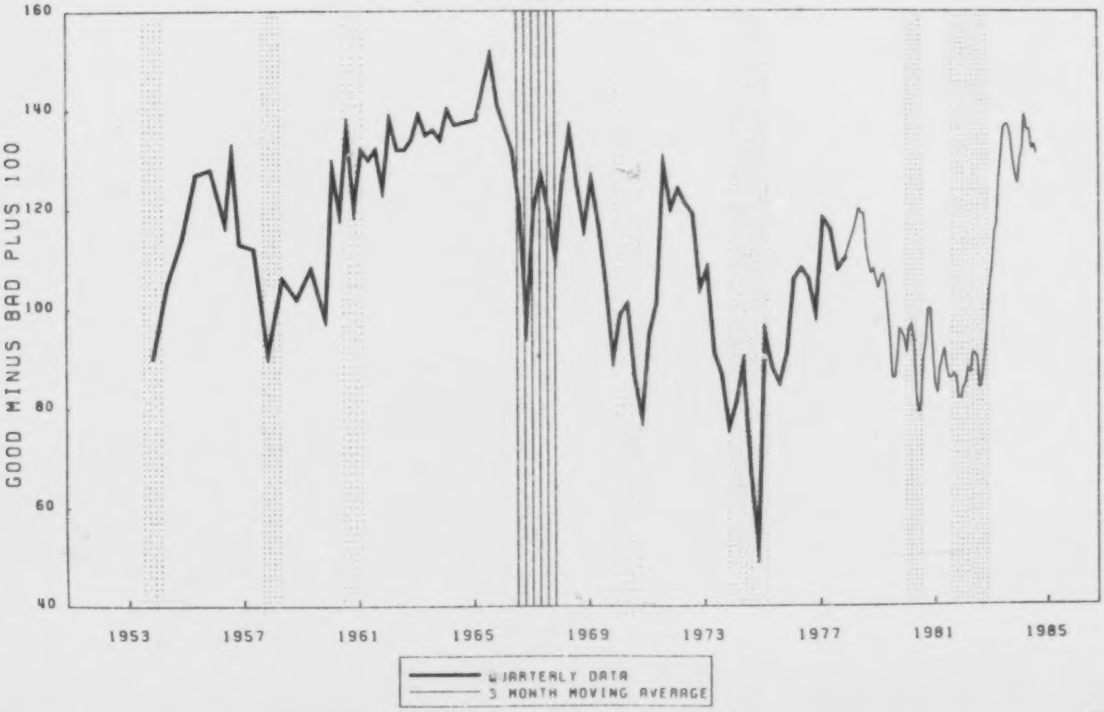


CHART 30 - HISTORICAL SERIES
BUYING CONDITIONS FOR CARS



## TABLE 30

## BUYING CONDITIONS FOR CARS

| | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 | July 1984 | Aug. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| GOOD TIME TO BUY | 65% | 61% | 59% | 59% | 56% | 64% | 62% | 66% | 60% | 63% | 60% | 62% | 59% |
| UNCERTAIN; DEPENDS | 7 | 7 | 7 | 9 | 11 | 12 | 10 | 10 | 11 | 9 | 10 | 10 | 11 |
| BAD TIME TO BUY | 28 | 32 | 34 | 32 | 33 | 24 | 28 | 24 | 29 | 28 | 30 | 28 | 30 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 | 690 | 680 | 656 | 693 |

The question was: "Speaking now of the automobile market--do you think the next 12 months or so will be a good time or a bad time to buy a car?"

CHART 31A - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR CARS

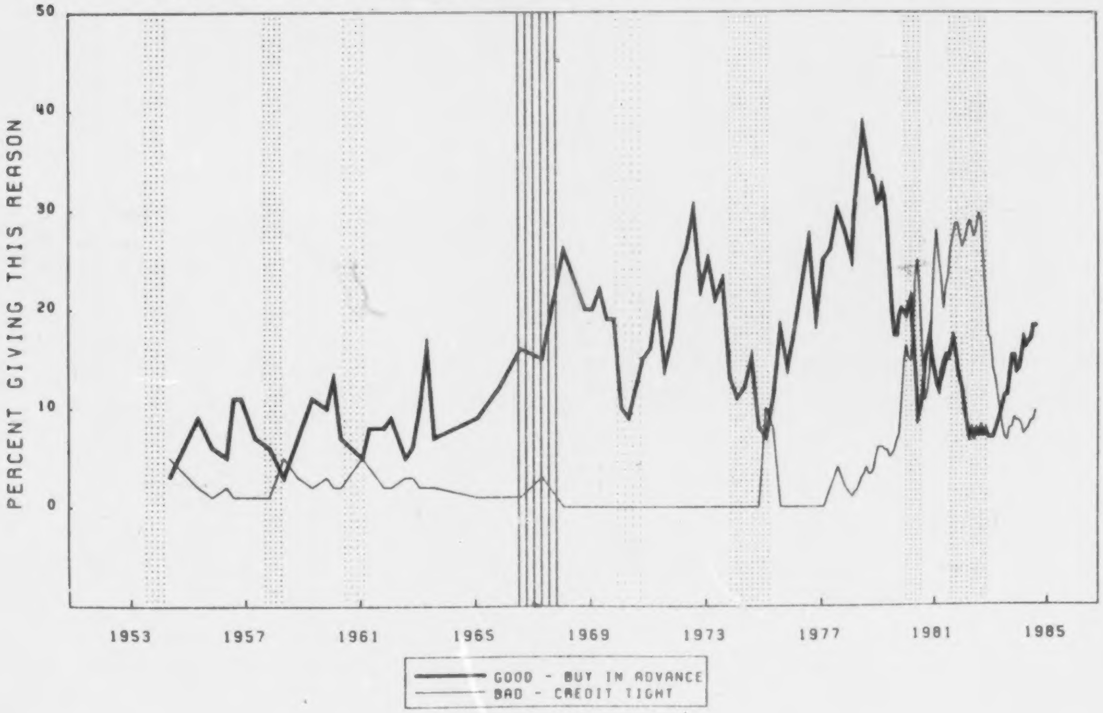
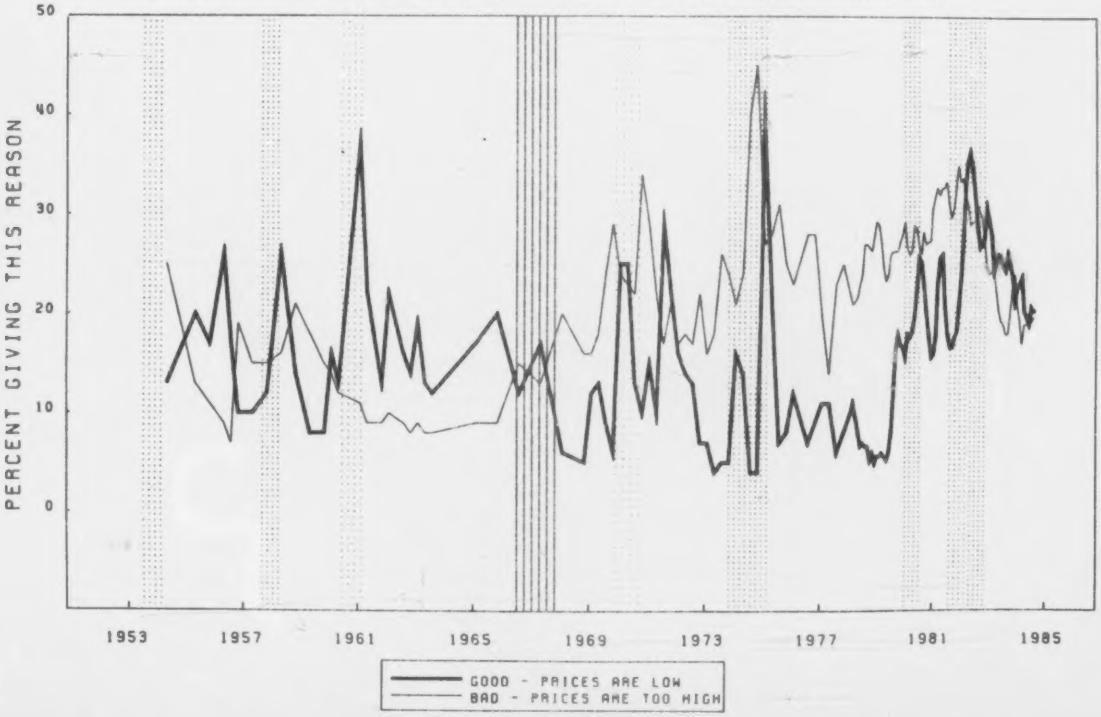


CHART 31B - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR CARS



## TABLE 31

## SELECTED REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR CARS +

| | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 | July 1984 | Aug. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| GOOD TIME TO BUY: | | | | | | | | | | | | | |
| Prices are low; good buys available | 25% | 28% | 22% | 21% | 21% | 26% | 22% | 23% | 16% | 20% | 21% | 21% | 19% |
| Prices won't come down; are going higher | 12 | 17 | 17 | 12 | 12 | 18 | 16 | 17 | 16 | 17 | 18 | 20 | 17 |
| Interest rates low; credit is easy | 33 | 28 | 19 | 22 | 19 | 23 | 22 | 22 | 22 | 18 | 18 | 24 | 17 |
| New fuel efficient models | 1 | 2 | 2 | 2 | 2 | 1 | 2 | 1 | 1 | 3 | 1 | 1 | 2 |
| BAD TIME TO BUY: | | | | | | | | | | | | | |
| Prices are high | 16 | 20 | 25 | 23 | 24 | 16 | 18 | 17 | 22 | 18 | 20 | 20 | 19 |
| Interest rates are high; credit is tight | 6 | 10 | 8 | 9 | 9 | 8 | 8 | 6 | 9 | 9 | 8 | 9 | 12 |
| Lack of purchasing power | 9 | 6 | 8 | 6 | 5 | 3 | 5 | 5 | 4 | 5 | 4 | 4 | 5 |
| Price of gas; shortages | 1 | * | * | * | * | * | * | 1 | * | * | * | * | 1 |
| Poor selection; quality | 4 | 4 | 6 | 6 | 5 | 5 | 4 | 4 | 6 | 2 | 2 | 4 | 4 |

Responses to the query: "Why do you say so?" following the question on Table 30.

+ : May add to more than 100% due to multiple mentions.

* : Less than half of one percent.

CHART 32 - RECENT CHANGES

PLANS TO PURCHASE AN AUTOMOBILE DURING THE NEXT 12 MONTHS

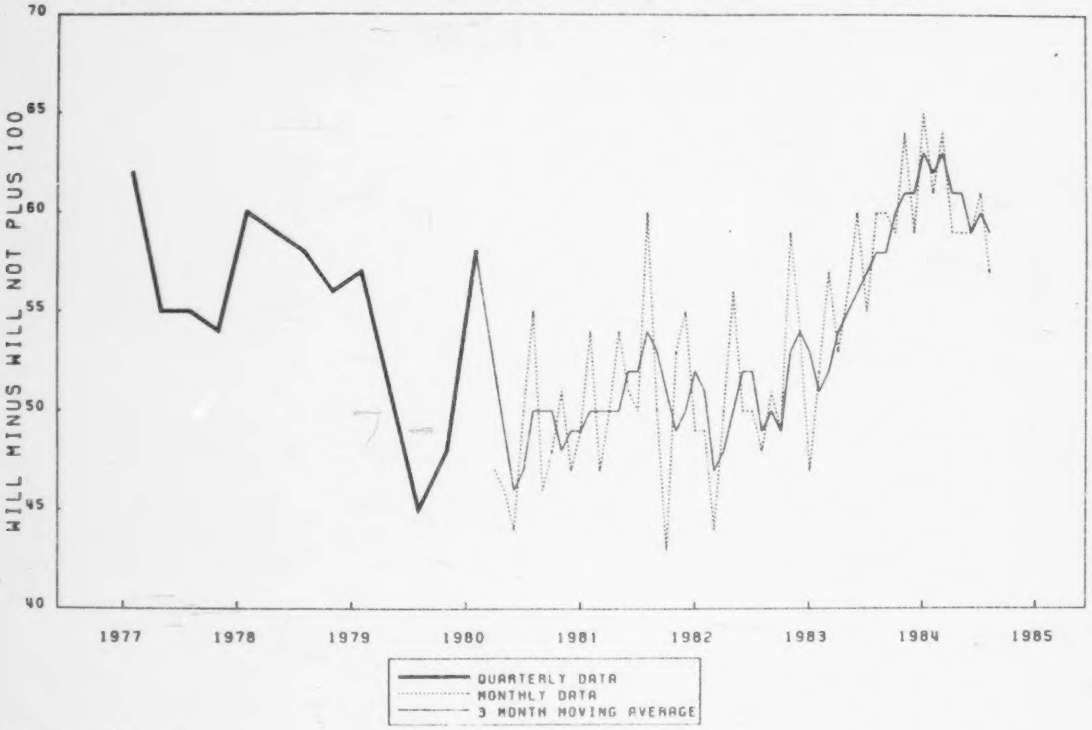
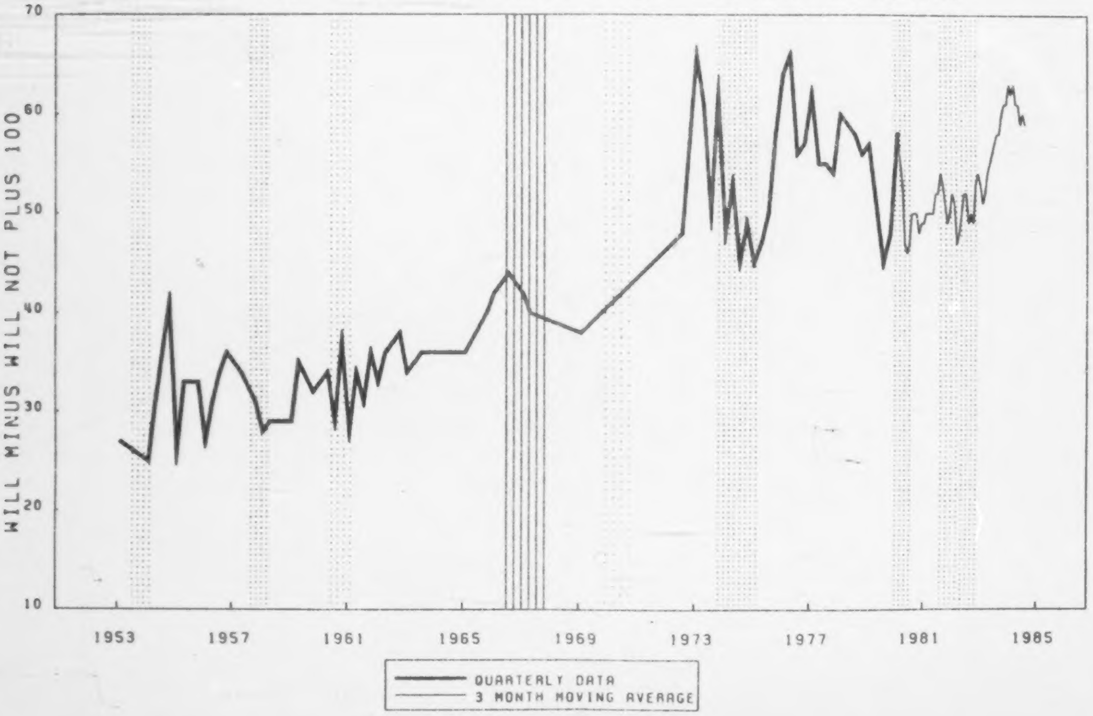


CHART 32 - HISTORICAL SERIES

PLANS TO PURCHASE AN AUTOMOBILE DURING THE NEXT 12 MONTHS



## TABLE 32

## PLANS TO PURCHASE AN AUTOMOBILE DURING THE NEXT 12 MONTHS

| | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 | July 1984 | Aug. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| PROBABLY WILL BUY | 21% | 21% | 21% | 22% | 20% | 23% | 21% | 22% | 21% | 19% | 20% | 20% | 21% |
| CHANCES ARE EVEN | 7 | 9 | 8 | 9 | 8 | 7 | 9 | 12 | 6 | 12 | 9 | 9 | 7 |
| PROBABLY WILL NOT BUY | 61 | 61 | 62 | 58 | 61 | 58 | 60 | 58 | 62 | 60 | 61 | 59 | 64 |
| DK,NA | 11 | 9 | 9 | 11 | 11 | 12 | 10 | 8 | 11 | 9 | 10 | 12 | 8 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 673 | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 | 690 | 680 | 656 | 693 |

The question was: "What do you think are the chances that you (or anyone else in your family living there) will buy or lease a car during the next 12 months--would you say you probably will, probably will not, or are the chances about even, or what?"

## TABLE 33

## CURRENT VEHICLE PURCHASE INTENTIONS

| | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 | July 1984 | Aug. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| PROPORTION WITH CURRENT PURCHASE INTENTIONS: | 28% | 30% | 29% | 31% | 28% | 30% | 30% | 34% | 27% | 31% | 29% | 29% | 28% |
| PURCHASE TYPE: | | | | | | | | | | | | | |
| Buy new | 15 | 13 | 17 | 17 | 16 | 15 | 14 | 16 | 13 | 15 | 16 | 15 | 15 |
| Buy used | 11 | 14 | 9 | 12 | 9 | 13 | 13 | 17 | 12 | 14 | 11 | 12 | 11 |
| Lease | 1 | 1 | 2 | 1 | 2 | 1 | 2 | 1 | 1 | 2 | 1 | 2 | 1 |
| DK,NA | 1 | 2 | 1 | 1 | 1 | 1 | 1 | * | 1 | * | 1 | * | 1 |
| PURCHASE TIMING: | | | | | | | | | | | | | |
| Next 3 months | 5 | 2 | 6 | 4 | 2 | 5 | 3 | 2 | 7 | 3 | 2 | 7 | 3 |
| Next 4-6 months | 4 | 7 | 8 | 5 | 4 | 10 | 7 | 10 | 6 | 9 | 8 | 6 | 5 |
| Next 7-9 months | 5 | 5 | 8 | 9 | 10 | 7 | 8 | 8 | 6 | 7 | 9 | 3 | 4 |
| 10 months or more | 7 | 9 | 4 | 8 | 8 | 4 | 5 | 8 | 4 | 6 | 4 | 7 | 8 |
| DK,NA | 7 | 7 | 3 | 5 | 4 | 4 | 7 | 6 | 4 | 6 | 6 | 6 | 8 |

If response was "PROBABLY WILL BUY" or "CHANCES ARE EVEN" in Table 32, then the questions were: "If you do buy or lease a car, would it be a new car, or a used car?" , "Would you buy or lease?" and "When do you think you might buy or lease a car?"

* : Less than half of one percent.

## TABLE 34

## FUTURE VEHICLE PURCHASE INTENTIONS

| | Aug. 1983 | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 | July 1984 | Aug. 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| PROPORTION WITH FUTURE PURCHASE INTENTIONS: | 61% | 61% | 62% | 58% | 61% | 58% | 60% | 58% | 62% | 60% | 61% | 59% | 64% |
| PURCHASE TYPE: | | | | | | | | | | | | | |
| Would buy new | 33 | 33 | 33 | 36 | 36 | 36 | 32 | 32 | 34 | 33 | 36 | 35 | 33 |
| Would buy used | 27 | 27 | 29 | 21 | 24 | 21 | 26 | 25 | 27 | 26 | 24 | 22 | 29 |
| DK,NA | 1 | 1 | * | 1 | 1 | 1 | 2 | 1 | 1 | 1 | 1 | 2 | 2 |
| PURCHASE TIMING: | | | | | | | | | | | | | |
| Less than 2 years | 6 | 8 | 6 | 5 | 7 | 5 | 8 | 7 | 10 | 5 | 7 | 5 | 5 |
| 2 years | 21 | 22 | 20 | 19 | 23 | 19 | 20 | 19 | 20 | 22 | 21 | 18 | 25 |
| 3 years | 9 | 10 | 11 | 10 | 9 | 10 | 9 | 9 | 9 | 9 | 8 | 10 | 8 |
| 4 years or more | 18 | 15 | 19 | 18 | 17 | 17 | 17 | 16 | 17 | 18 | 17 | 18 | 15 |
| Indefinite | 2 | 2 | * | 1 | 1 | 2 | 3 | 3 | 1 | 2 | 2 | 3 | 3 |
| DK,NA | 5 | 4 | 6 | 5 | 4 | 5 | 3 | 4 | 5 | 4 | 6 | 5 | 5 |

If response was "PROBABLY WILL NOT BUY" in Table 32, then the questions were: "If you were to buy a car, would it be a new car or a used car? and "How long do you think it may be before will buy or lease a car?"

* : Less than half of one percent.

# EXPLANATORY CHARTS

CHART 1 - RECENT CHANGES
THE INDEX OF CONSUMER SENTIMENT

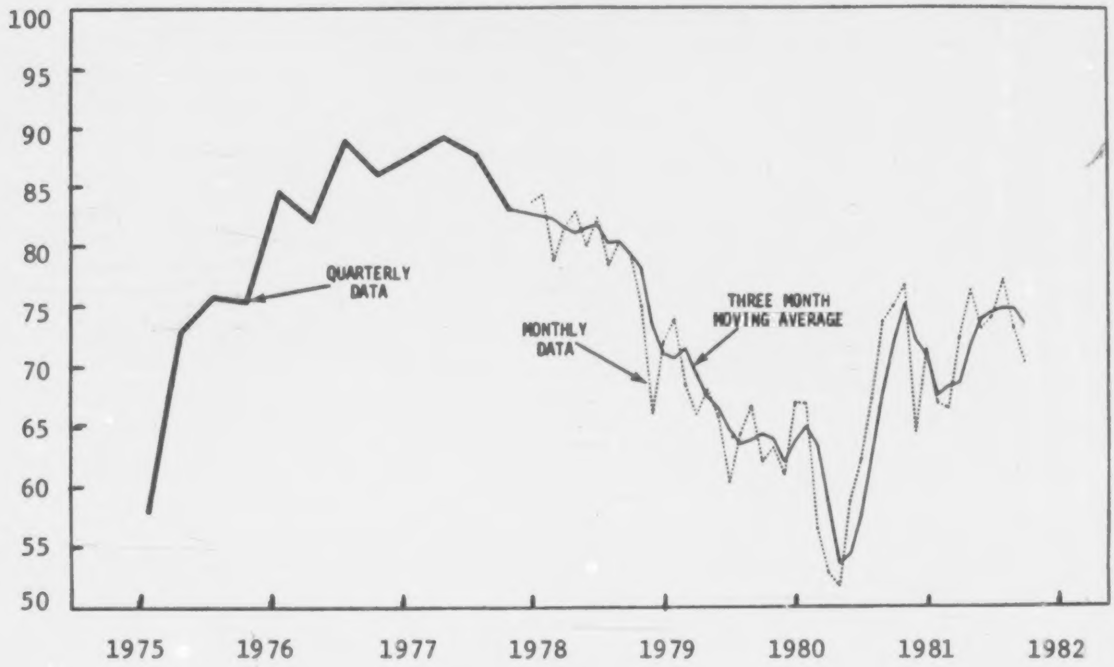
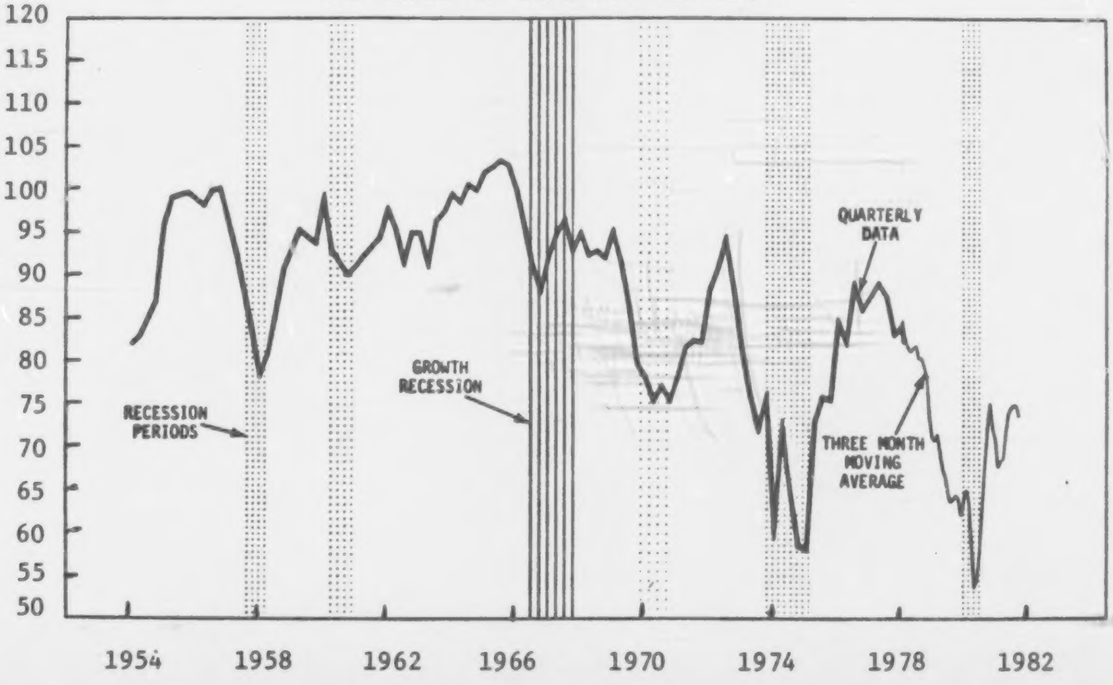


CHART 1 - HISTORICAL SERIES
THE INDEX OF CONSUMER SENTIMENT



## DESCRIPTION OF CHART LINES

QUARTERLY DATA: Data collected by surveys conducted at three-month intervals before 1978.

MONTHLY DATA: Data collected by surveys conducted each month since January of 1978.

THREE-MONTH MOVING AVERAGE: Each point plotted represents the average of the three monthly observations ending at the date plotted.

## TIME SCALE LABELS

Each tic mark on the time scale represents the month of January for the indicated year.

## NATIONAL BUREAU OF ECONOMIC RESEARCH, REFERENCE DATES FOR RECESSIONS

DATES: November 1948 - October 1949
July 1953 - May 1954
August 1957 - April 1958
April 1960 - February 1961
June 1966 - November 1967*
December 1969 - November 1970
November 1973 - March 1975
January 1980 - July 1980
July 1981 - November 1982

Notes:

RECESSION PERIOD: Reduction in the national output of goods and services, generally lasting at least two quarters.

*GROWTH RECESSION: Retardation in the rate of growth of output and employment (usually followed by a recession and always the initial stage of a recession).

## APPROXIMATE SAMPLING ERRORS[a] OF SURVEY FINDINGS

(In percentages by size of sample or subgroup)

| Reported Percentages | Number of Interviews 700[b] | 1,400[c] | 2,100[d] |
|---|---|---|---|
| 50 | 4.2 | 3.2 | 2.8 |
| 30 or 70 | 3.8 | 2.9 | 2.5 |
| 20 or 80 | 3.4 | 2.6 | 2.2 |
| 10 or 90 | 2.5 | 1.9 | 1.6 |
| 5 or 95 | 1.8 | 1.4 | 1.2 |

---

[a] The figures in this table represent two standard errors. Hence, for most items the chances are 95 in 100 that the value being estimated lies within a range equal to the reported percentages, plus or minus the sampling error.

[b] Average size of monthly surveys.

[c] Average size of two monthly surveys.

[d] Average size of three monthly surveys (one quarter).

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September 7, 1984

AUGUST 1984 MONTHLY REPORT

# Surveys of Consumer Attitudes

Richard T. Curtin, *Director*

## OPTIMISM ENDURES

** In the August 1984 survey, the Index of consumer Sentiment was 99.1, up from 96.6 one month earlier, and 90.9 one year earlier. The August figure is less than 2 Index points below the 20 year peak of 101.0 recorded in March 1984. The major factor behind the recent increase in sentiment has been the improved financial situation of consumers.

** Among families with incomes of $25,000 or more, the Index of Consumer Sentiment rose to 109.2 in the August 1984 survey, up from 102.8 one month earlier, and 103.5 recorded one year earlier.

** The financial progress made by American families during the past year has been the most favorable recorded during the past decade. Among all families, 48 percent reported that their financial situation had improved, amid widespread reports of family income increases.

** Two-thirds of all American families thought that business conditions had improved during the past year, but less than half of that proportion expected the same pace of improvement during the year ahead. Despite the expected slowdown in the pace of economic growth, good times financially in the country as a whole were expected to persist during the year ahead (62 percent) as well as during the next 5 years (47 percent).

** The slower pace of economic growth during the year ahead is expected to be accompanied by rates of inflation and unemployment that average about the same as now, but with significantly higher interest rates. Among all families in the June 1984 survey, 55 percent expected interest rate increases, down from the recent peak of 68 percent recorded in April 1984.

** Interest rate increases have thus far had their greatest impact on attitudes toward buying conditions for homes. The proportion of families holding favorable home buying attitudes fell to 50 percent in the August 1984 survey from a peak of 66 percent in the April 1984 survey. The proportion of families holding favorable attitudes toward buying conditions for vehicles declined somewhat in the August 1984 survey, to 59 percent from 65 percent one year earlier. Attitudes toward buying conditions for large household durables remained largely unchanged at very favorable levels in the August 1984 survey.

* * *

Consumer confidence has been maintained at very favorable levels in the August survey, and points toward continued high sales levels through 1984 and into early 1985. Unlike the period of growth in consumer sales in the mid 1970s, when low real rates tilted spending in favor of credit purchases, the current high real rates will favor non-credit purchases.

Monitoring Economic Change Program
Institute for Social Research • P.O. Box 1248 • Ann Arbor, Michigan 48106-1248 • (313) 763-5224

## Personal Finances: Best in Decade

Nearly half of all respondents in the August 1984 survey reported that their personal financial situation had improved during the past year, the most favorable assessment recorded in more than a decade. Among all families in the August 1984 survey, 48 percent reported that their financial situation improved during the past year, up from 36 percent in August 1983, and equal to the decade peak first recorded in the March 1984 survey. Financial reversals were reported by 23 percent of all families in the August survey, down from 30 percent one year earlier.

The substantial improvement in family finances has been due to widespread income increases, reported by 38 percent of all families in the August 1984 survey, just below the decade peak level of 39 percent recorded in both the March and June 1984 surveys. Complaints about the erosion of purchasing power due to inflation were made by just 11 percent of all families in the August 1984 survey, the lowest level recorded since the mid-1960s. Consumers' expectations for future improvement in their financial situation reached peak levels more than one year ago, and since then have remained near those favorable levels. In the August 1984 survey, 38 percent of all families expected their financial situation to improve during the upcoming year, just above the 37 percent recorded one year earlier. Just 9 percent of all families expected their financial situation to worsen, down from the already lowered level of 13 percent recorded one year earlier.

This favorable personal financial outlook is based on the expectation that during the year ahead family income increases will be larger than price increases. In the August 1984 survey, 63 percent of all families expected their income to increase during the year ahead, somewhat above the 60 percent recorded one year earlier. Expected income increases of 5% or more were reported by 47 percent of all families in the August 1984 survey; in comparison, 37 percent of all families expected prices to increase by 5% or more during the year ahead. As a result, more American families expected increases in the purchasing power of their income in the August 1984 survey than at any other time in the prior decade. Seventy percent of all families expected increases in their family income to keep pace with or exceed the rate of inflation in the August 1984 survey.

## Prospects for the Economy: Good Times Despite Slower Growth

For more than a year consumer evaluations of current business conditions have reflected the strong pace of the ongoing economic expansion. In the August 1984 survey, 68 percent of all respondents thought that business conditions had improved during the past year, just above the 66 percent recorded one year earlier, and substantially above the 12 percent recorded two years earlier. Although the August figure was below the all-time record high of 75 percent recorded in January 1984, it was nonetheless higher than following any of the prior five recessions.

Consumers have increasingly come to expect during the past year that the pace of economic expansion would slow. Compared with how many respondents reported improvement in the economy during the past year, only about half as many expected the economy to continue to improve at its current pace during the year ahead. In early 1983, the majority of consumers expected the economy to improve by early 1984. Since that time, the proportion of consumers that expected the economy to post continued improvements has fallen, reaching 33 percent in the August 1984 survey, from the all-time peak of 55 percent recorded in May 1983. Despite the decline in expectations for continued economic growth, there is little if any evidence of mounting fears of renewed economic declines during the year ahead. Among all families in the August 1984 survey, only 14 expected the economy to worsen, just above the 10 percent recorded one year earlier. The near majority (49 percent) expected business conditions in the country as a whole to remain largely unchanged from present conditions during the year ahead.

The very favorable perceptions of the current state of the economy, even when tempered by the expectation that the pace of growth will moderate, has led consumers to expect good times financially for business conditions in the country as a whole not only during the upcoming year, but also during the next five years or so. Among all families in the August 1984 survey, 62 percent expected good times financially during the year ahead, largely unchanged from the 60 percent recorded one year ago, and substantially above the 26 percent recorded two years earlier. The economy was expected to improve over the longer term by 47 percent of all families in the August 1984 survey, up from 37 percent one year earlier, and 23 percent two years earlier.

## Interest Rates Weaken Prospects

The combination of an expected slowdown in the pace of economic growth and the expected maintenance of favorable economic conditions was reflected by differences in the underlying expected trends in inflation, unemployment, and interest rates.

Consumers expected inflation and unemployment to remain at their current reduced levels during the year ahead. On average, consumers expected an annual inflation rate of 4.6% in the August 1984 survey, down from 5.0% one year earlier. The majority of families in the August 1984 survey expected the unemployment rate to remain largely unchanged during the year ahead (54 percent). The proportion of families that expected further declines in the unemployment rate fell to 24 percent in August 1984, from 42 percent one year earlier, while increases in unemployment were expected by 21 percent in August, somewhat above the 15 percent recorded one year ago. Confidence in government economic policies with regard to inflation and unemployment remained at a very high level in the August 1984 survey. Among all families, 33 percent favorably rated government economic policies, which tied the highest level recorded during the last decade, first recorded in March 1984.

Interest rates, in contrast, were expected to increase by the majority of respondents in the August 1984 survey. Among all families, 55 percent expected interest rate increases, a decline from a high of 68 percent in April 1984, but still above the 47 percent recorded one year earlier. Just 13 percent of all families expected interest rates to decline during the year ahead in the August 1984 survey.

## Buying Conditions

Expected increases in interest rates have not only diminished prospects for continued economic growth, but have also eroded favorable attitudes toward buying conditions. Thusfar, interest rate increases have had their greatest impact on the housing market. Favorable attitudes toward buying conditions for houses were held by 50 percent of all families in the August 1984 survey, down from the cyclical peak of 66 percent recorded in April 1984. Unfavorable attitudes toward buying conditions for homes were held by 44 percent of all families in the August survey, the highest level recorded in more than a year. The major reason for the recent decline in favorable home buying attitudes has been interest rate increases. Among all families, 22 percent referred to the availability of lower mortgage interest rates in the August 1984 survey, down from 33 percent one year earlier (see Table A). References to buying-in-advance of rising mortgage rates fell to 13 percent in the August survey, down from a peak of 23 percent recorded in April

1984. At the same time, references to high interest rates rose from a low of 20 percent in April 1984 to 40 percent in August. Favorable consumer perceptions of housing prices have not changed very much during the past year. Among all families in the August 1984 survey, 15 percent referred to the availability of discounts and reduced prices on homes (just below the 17 percent recorded one year earlier), and 16 percent referred to high housing prices making purchases unattractive in the August 1984 survey (just above the 14 percent recorded one year earlier).

Favorable attitudes toward buying conditions for vehicles declined by a small amount during the past year, but remain on balance at favorable levels. Among all families in the August 1984 survey, 59 percent recorded favorable buying conditions for vehicles, somewhat below the 65 percent recorded one year earlier. Unfavorable assessments of buying conditions for cars were held by 30 percent of all families in August 1984, just above the 28 percent recorded one year earlier. The major factor behind the small decline in favorable car buying attitudes has been interest rate increases. Among all families in the August 1984 survey, the proportion that referred to the availability of reduced interest rates on vehicle loans fell to 12 percent in August 1984 from 30 percent one year earlier. Importantly, even though the proportion that reported the availability of lower interest rates declined sharply during the past year, the frequency of reports that interest rates have increased on vehicle loans rose to just 12 from 6 percent one year earlier. References to price discounts and rebates on vehicles fell to 19 percent in the August 1984 survey, from 25 percent one year earlier, and the cyclical peak of 37 percent recorded more than two years earlier. Partially offsetting this trend, references to high vehicle prices have also declined over these past few years. In the August 1984 survey, the same proportion of respondents referred to both low and high vehicle prices (19 percent).

Buying attitudes toward household durables have been least affected by interest rates, and have benefited the most from favorable perceptions of market prices. Favorable attitudes toward buying conditions for large household durables were held by 72 percent of all families in the August 1984 survey, somewhat below the all-time record peak of 77 percent recorded three months earlier, but above the 64 percent recorded one year earlier. These very favorable attitudes toward durable buying conditions were largely due to favorable perceptions of market prices. Among all families, 35 percent mentioned the availability of lower prices and good buys on household durables in the August 1984 survey, just above the 33 percent recorded both one month and one year earlier. Just 9 percent of all families reported in the August 1984 survey that prices for large household durables were too high at present, down from 15 percent one year earlier. This figure is just above the twenty year record low of 8 percent recorded in May of 1984.

## Summary Outlook

The length and strength of the current recovery in consumer sentiment can be traced to trends in income and employment, as well as prices and interest rates. Renewed growth in household income and employment coupled with low inflation rates have greatly strengthened personal finances. In past recovery periods, sustained income growth was accompanied by a resurgence in inflation, and as a consequence acted to drain rather than enhance income discretion. Prospects for business conditions in the country as a whole were likewise boosted by declines in both the rates of inflation and unemployment during the past year. While expected increases in interest rates have diminished prospects for continued growth, in themselves they are as yet insufficient to reverse the overall favorable economic outlook. Interest rate trends have had a more direct and larger impact on attitudes toward buying conditions. But the continued growth in real personal income has acted to offset this negative influence, especially for noncredit purchases.

Recent shifts in consumer attitudes and expectations have reflected a typical cyclical pattern: expectations reached peak levels first, followed by peak levels in evaluations of current economic conditions. One year ago, a wide range of expectations measures reached their most favorable cyclical levels, including inflation, unemployment, and interest rate expectations,. Since then, unemployment and inflation expectations have remained at very favorable levels. Only interest rate expectations have become very unfavorable, and they represent the primary factor underlying the expected slowdown in economic growth. Nonetheless, the renewed strength in personal finances, coupled with favorable attitudes toward buying conditions, points toward continued high sales levels through 1984 and into early 1985. Unlike the period of growth in consumer sales in the mid 1970s, when low real interest rates tilted spending in favor of credit purchases, the current high real rates will favor non-credit purchases.

* * *

The August 1984 survey included 693 completed interviews, conducted between August 1 and August 31, 1984.

## TABLE A

## REFERENCES TO INTEREST RATES IN SUPPORT OF FAVORABLE BUYING CONDITIONS

| | Durables | | Houses | | Vehicles | |
|---|---|---|---|---|---|---|
| Survey Date | Low Rates | BiA Rates | Low Rates | BiA Rates | Low Rates | BiA Rates |
| 8001 | 1 | 2 | NA | NA | 1 | 1 |
| 8002 | 1 | 2 | 2 | 7 | 1 | 2 |
| 8003 | 1 | 4 | NA | NA | 1 | 2 |
| 8004 | * | 3 | * | 3 | 3 | 1 |
| 8005 | * | 2 | 3 | 3 | * | 1 |
| 8006 | 2 | 1 | 14 | 2 | 2 | 1 |
| 8007 | 4 | 1 | 17 | 6 | 2 | 1 |
| 8008 | 3 | 2 | 19 | 9 | 3 | 1 |
| 8009 | 1 | 2 | 11 | 11 | 2 | 2 |
| 8010 | 1 | 3 | 6 | 10 | 1 | 2 |
| 8011 | * | 2 | 2 | 8 | 1 | 2 |
| 8012 | 1 | 2 | 1 | 5 | 2 | 2 |
| 8101 | * | 2 | 1 | 3 | 4 | 1 |
| 8102 | 1 | 2 | 2 | 5 | 2 | 1 |
| 8103 | 1 | * | 1 | 4 | 1 | 1 |
| 8104 | * | 2 | 3 | 6 | 2 | 1 |
| 8105 | 1 | 2 | 4 | 3 | 3 | 1 |
| 8106 | * | 1 | 1 | 4 | 2 | 1 |
| 8107 | 1 | 1 | 2 | 4 | 2 | 1 |
| 8108 | 2 | 1 | 3 | 5 | 4 | 1 |
| 8109 | * | 1 | 3 | 3 | 4 | 2 |
| 8110 | * | 1 | 1 | 3 | 4 | * |
| 8111 | 1 | 1 | 2 | 2 | 5 | * |
| 8112 | 1 | 1 | 4 | 2 | 4 | 1 |
| 8201 | 2 | 1 | 5 | 3 | 4 | 2 |
| 8202 | 1 | 1 | 4 | 3 | 3 | * |
| 8203 | * | 1 | 3 | 2 | 3 | * |
| 8204 | 1 | * | 4 | 2 | 7 | * |
| 8205 | 2 | 1 | 3 | 3 | 10 | 1 |
| 8206 | 1 | 1 | 5 | 2 | 6 | 1 |
| 8207 | 1 | 1 | 2 | 2 | 4 | 1 |
| 8208 | 1 | 1 | 3 | 4 | 5 | 1 |
| 8209 | 3 | 1 | 16 | 4 | 9 | 1 |
| 8210 | 4 | 1 | 19 | 4 | 10 | 1 |
| 8211 | 5 | * | 25 | 5 | 19 | 1 |
| 8212 | 6 | 2 | 30 | 5 | 26 | 1 |

TABLE A (continued)

| | Durables | | Houses | | Vehicles | |
|---|---|---|---|---|---|---|
| Survey Date | Low Rates | BiA Rates | Low Rates | BiA Rates | Low Rates | BiA Rates |
| 8301 | 7 | * | 33 | 4 | 27 | 2 |
| 8302 | 7 | 1 | 35 | 5 | 34 | 1 |
| 8303 | 7 | 1 | 38 | 6 | 33 | 1 |
| 8304 | 12 | 2 | 46 | 8 | 38 | 2 |
| 8305 | 12 | 1 | 49 | 6 | 38 | 2 |
| 8306 | 13 | 3 | 49 | 12 | 38 | 2 |
| 8307 | 14 | 2 | 40 | 9 | 34 | 3 |
| 8308 | 11 | 1 | 33 | 11 | 30 | 3 |
| 8309 | 9 | 3 | 35 | 12 | 25 | 3 |
| 8310 | 6 | 1 | 29 | 9 | 17 | 2 |
| 8311 | 6 | 2 | 29 | 11 | 20 | 2 |
| 8312 | 6 | 1 | 30 | 11 | 16 | 3 |
| 8401 | 8 | 1 | 33 | 8 | 20 | 3 |
| 8402 | 9 | 2 | 38 | 12 | 19 | 3 |
| 8403 | 8 | 2 | 36 | 13 | 19 | 3 |
| 8404 | 8 | 6 | 29 | 23 | 15 | 7 |
| 8405 | 7 | 4 | 24 | 20 | 14 | 4 |
| 8406 | 7 | 4 | 21 | 17 | 12 | 6 |
| 8407 | 5 | 5 | 21 | 16 | 16 | 8 |
| 8408 | 6 | 2 | 22 | 13 | 12 | 5 |

NOTE: The proportions given above provide greater detail than is reported in the monthly tables (see Tables 27, 29 and 31). The monthly tables report the total proportion of respondents that made favorable references to credit conditions. The figures above divide this total into those respondents that referred to the current availability of low interest rates, and those that referred to buying-in-advance of rising interest rates.

10/10/84 U7475-2 A

# SURVEYS OF CONSUMER ATTITUDES

[redacted]

SURVEY RESEARCH CENTER
UNIVERSITY OF MICHIGAN

Institute for Social Research

# TABLES AND CHARTS

SEPTEMBER 1984

The September 1984 survey is the 192nd in a series of surveys of consumer attitudes conducted by the Survey Research Center at The University of Michigan. Initiated in 1946, these periodic surveys provide regular assessments of consumer attitudes and expectations, and are used to evaluate economic trends and prospects. The surveys are designed to explore why changes in consumer attitudes and expectations occur, and how these changes influence consumer spending and saving decisions.

Two charts highlight recent changes and historical patterns for most questions. Recent change charts include quarterly data before 1978 and monthly data starting in January of 1978. Historical series charts show quarterly data before 1978 and 3 month moving averages since then. See the explanatory charts at the end of this book for a detailed description.

All surveys are subject to sampling error because not all members of the population are interviewed. Most results on the total sample for this monthly survey will differ by no more than 4 percentage points in either direction from what would have been obtained by using the same methods on the entire population. See the back of this book for sampling error information.

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CHART 1 - RECENT CHANGES
THE INDEX OF CONSUMER SENTIMENT

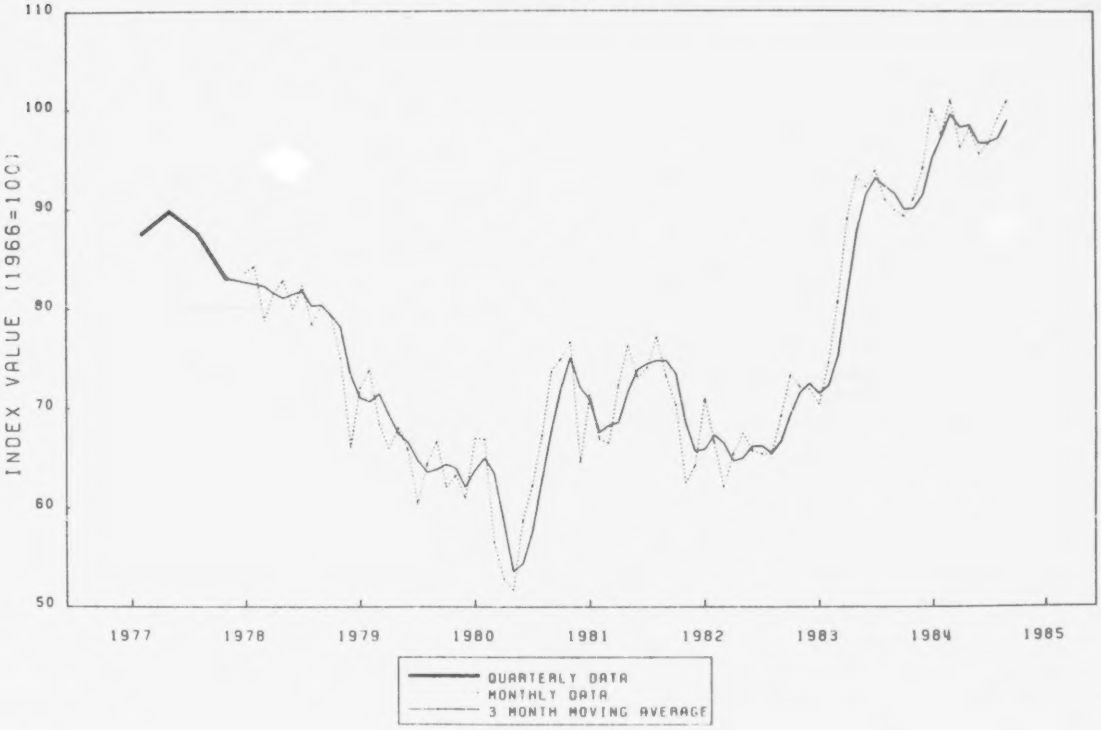
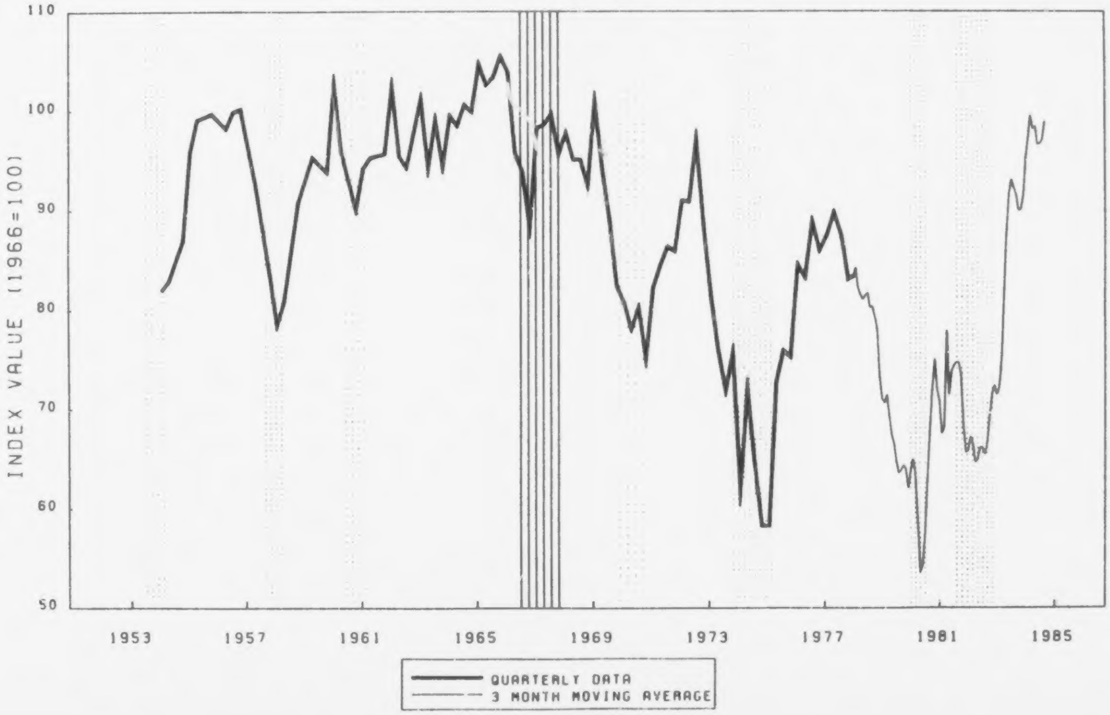


CHART 1 - HISTORICAL SERIES
THE INDEX OF CONSUMER SENTIMENT



## TABLE 1

## THE INDEX OF CONSUMER SENTIMENT

| DATE OF SURVEY | All families | Families with incomes over $20,000 | Families with incomes over $25,000 |
|---|---|---|---|
| September 1981 | 73.1 | 75.2 | 72.3 |
| October 1981 | 70.3 | 74.5 | 77.9 |
| November 1981 | 62.5 | 67.2 | 66.3 |
| December 1981 | 64.3 | 71.0 | 71.1 |
| January 1982 | 71.0 | 77.9 | 77.8 |
| February 1982 | 66.5 | 71.5 | 72.8 |
| March 1982 | 62.0 | 67.0 | 67.9 |
| April 1982 | 65.5 | 71.5 | 73.2 |
| May 1982 | 67.5 | 72.7 | 74.8 |
| June 1982 | 65.7 | 71.4 | 72.9 |
| July 1982 | 65.4 | 68.9 | 69.2 |
| August 1982 | 65.4 | 71.0 | 73.6 |
| September 1982 | 69.3 | 78.4 | 81.1 |
| October 1982 | 73.4 | 77.5 | 80.9 |
| November 1982 | 72.1 | 79.3 | 81.1 |
| December 1982 | 71.9 | 78.0 | 80.5 |
| January 1983 | 70.4 | 78.2 | 78.8 |
| February 1983 | 74.6 | 79.9 | 81.3 |
| March 1983 | 80.8 | 88.4 | 88.9 |
| April 1983 | 89.1 | 97.1 | 99.0 |
| May 1983 | 93.3 | 99.6 | 101.0 |
| June 1983 | 92.2 | 101.2 | 102.5 |
| July 1983 | 93.9 | 104.4 | 106.5 |
| August 1983 | 90.9 | 101.2 | 103.5 |
| September 1983 | 89.9 | 99.0 | 102.3 |
| October 1983 | 89.3 | 99.5 | 101.9 |
| November 1983 | 91.1 | 97.2 | 98.8 |
| December 1983 | 94.2 | 101.7 | 104.5 |
| January 1984 | 100.1 | 112.0 | 114.2 |
| February 1984 | 97.4 | 109.6 | 111.2 |
| March 1984 | 101.0 | 110.9 | 114.2 |
| April 1984 | 96.1 | 103.9 | 105.5 |
| May 1984 | 98.1 | 105.6 | 107.1 |
| June 1984 | 95.5 | 104.4 | 104.5 |
| July 1984 | 96.6 | 103.2 | 102.8 |
| August 1984 | 99.1 | 106.7 | 109.2 |
| September 1984 | 100.9 | 109.7 | 111.7 |

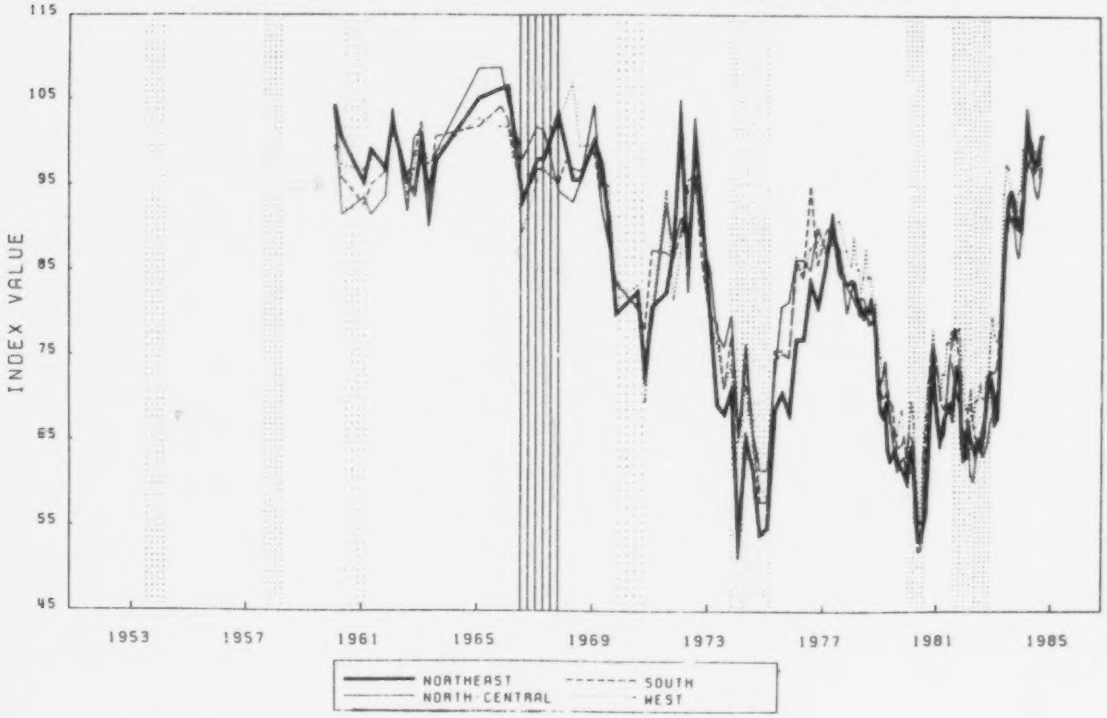


CHART 2A - HISTORICAL SERIES

INDEX OF CONSUMER SENTIMENT WITHIN REGION SUBGROUPS

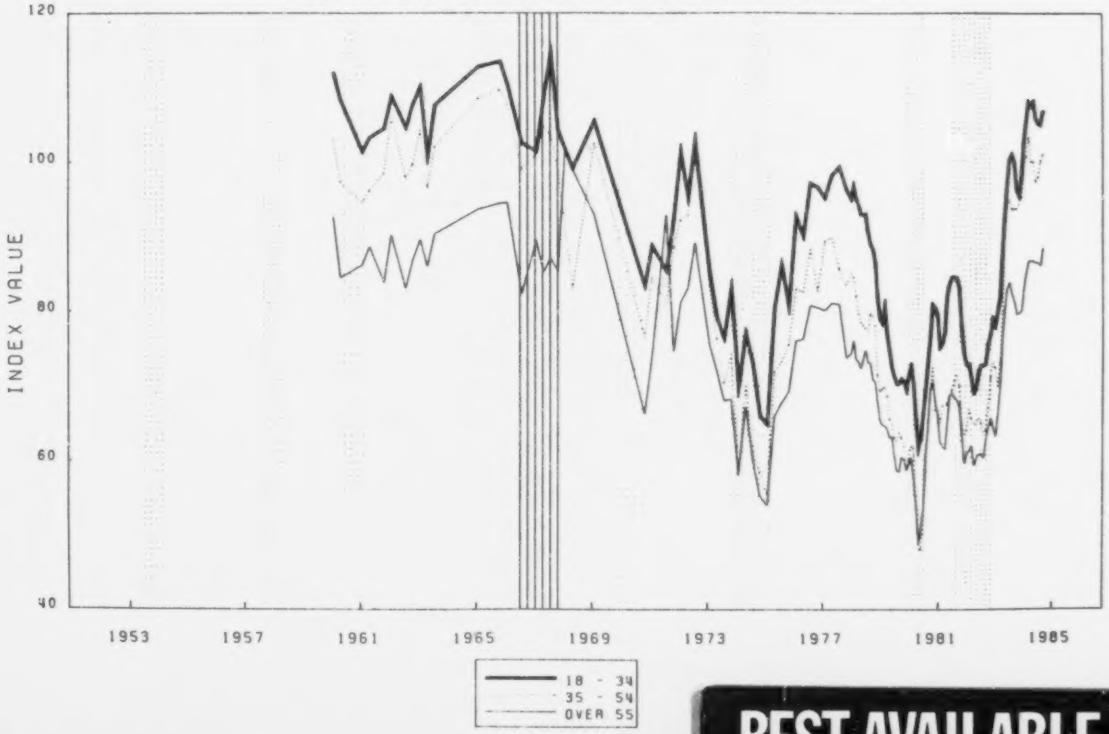


CHART 2B - HISTORICAL SERIES

INDEX OF CONSUMER SENTIMENT WITHIN AGE SUBGROUPS

BEST AVAILABLE COPY

## TABLE 2

## INDEX OF CONSUMER SENTIMENT WITHIN REGION AND AGE SUBGROUPS

| DATE OF SURVEY | | CENSUS REGION | | | | AGE OF RESPONDENT | | |
|---|---|---|---|---|---|---|---|---|
| | | North East | North Central | South | West | 18-34 | 35-54 | 55+ |
| September | 1981 | 75.1 | 69.9 | 72.4 | 76.6 | 81.4 | 68.8 | 64.[illegible] |
| October | 1981 | 67.9 | 68.2 | 68.9 | 79.0 | 80.7 | 65.9 | 64.8 |
| November | 1981 | 55.8 | 64.7 | 61.1 | 68.8 | 71.3 | 59.6 | 57.7 |
| December | 1981 | 65.0 | 65.3 | 64.4 | 61.6 | 70.9 | 65.3 | 56.7 |
| January | 1982 | 68.8 | 67.3 | 72.0 | 76.2 | 76.6 | 67.4 | 68.5 |
| February | 1982 | 65.9 | 60.6 | 71.8 | 68.8 | 71.5 | 68.3 | 59.0 |
| March | 1982 | 60.5 | 55.8 | 64.7 | 68.2 | 65.5 | 61.4 | 58.8 |
| April | 1982 | 67.2 | 64.6 | 65.0 | 65.8 | 70.6 | 65.5 | 60.4 |
| May | 1982 | 62.4 | 66.5 | 66.6 | 75.7 | 72.7 | 67.6 | 62.0 |
| June | 1982 | 65.4 | 65.0 | 64.9 | 68.6 | 72.4 | 64.4 | 60.3 |
| July | 1982 | 65.1 | 64.0 | 63.5 | 71.1 | 73.4 | 63.3 | 60.6 |
| August | 1982 | 68.1 | 60.6 | 64.0 | 70.6 | 72.6 | 62.9 | 60.2 |
| September | 1982 | 70.3 | 67.2 | 71.1 | 68.8 | 73.0 | 66.7 | 68.0 |
| October | 1982 | 77.8 | 66.2 | 74.1 | 79.3 | 81.2 | 72.1 | 65.5 |
| November | 1982 | 70.6 | 67.9 | 73.2 | 79.3 | 76.6 | 75.7 | 63.8 |
| December | 1982 | 66.1 | 70.0 | 72.5 | 80.4 | 78.9 | 71.7 | 64.2 |
| January | 1983 | 64.9 | 70.5 | 73.6 | 72.8 | 78.8 | 70.0 | 62.0 |
| February | 1983 | 72.1 | 72.3 | 75.8 | 77.2 | 82.1 | 68.3 | 72.4 |
| March | 1983 | 82.9 | 73.7 | 82.7 | 84.4 | 84.9 | 81.5 | 75.5 |
| April | 1983 | 89.1 | 88.0 | 87.2 | 95.6 | 95.8 | 90.5 | 80.5 |
| May | 1983 | 88.3 | 90.7 | 93.3 | 102.7 | 97.2 | 97.1 | 84.9 |
| June | 1983 | 95.1 | 88.7 | 92.5 | 94.1 | 97.8 | 94.4 | 83.9 |
| July | 1983 | 98.3 | 93.8 | 89.9 | 94.3 | 106.0 | 93.6 | 83.0 |
| August | 1983 | 89.6 | 92.0 | 91.3 | 89.6 | 99.2 | 92.9 | 80.0 |
| September | 1983 | 92.6 | 87.8 | 89.3 | 90.8 | 94.8 | 94.5 | 80.9 |
| October | 1983 | 89.9 | 83.7 | 91.5 | 93.5 | 94.2 | 93.8 | 77.8 |
| November | 1983 | 87.7 | 88.3 | 91.5 | 98.5 | 97.2 | 94.6 | 80.7 |
| December | 1983 | 91.4 | 96.2 | 95.2 | 92.2 | 102.3 | 97.5 | 81.8 |
| January | 1984 | 100.7 | 96.8 | 97.5 | 107.5 | 107.9 | 106.0 | 87.4 |
| February | 1984 | 102.3 | 98.4 | 93.5 | 97.1 | 106.2 | 98.9 | 86.5 |
| March | 1984 | 104.8 | 98.5 | 102.1 | 97.5 | 109.9 | 105.2 | 86.6 |
| April | 1984 | 92.5 | 95.3 | 98.2 | 99.3 | 106.5 | 95.9 | 87.0 |
| May | 1984 | 98.8 | 96.3 | 96.5 | 103.9 | 107.5 | 98.8 | 86.6 |
| June | 1984 | 100.1 | 92.1 | 95.0 | 93.7 | 103.0 | 97.1 | 85.9 |
| July | 1984 | 94.3 | 92.5 | 100.5 | 99.3 | 104.9 | 98.2 | 87.1 |
| August | 1984 | 103.1 | 100.2 | 97.5 | 95.4 | 106.8 | 105.3 | 85.2 |
| September | 1984 | 105.0 | 99.3 | 99.7 | 99.9 | 108.5 | 99.9 | 93.3 |

CHART 3 - RECENT CHANGES
CURRENT AND EXPECTED COMPONENTS

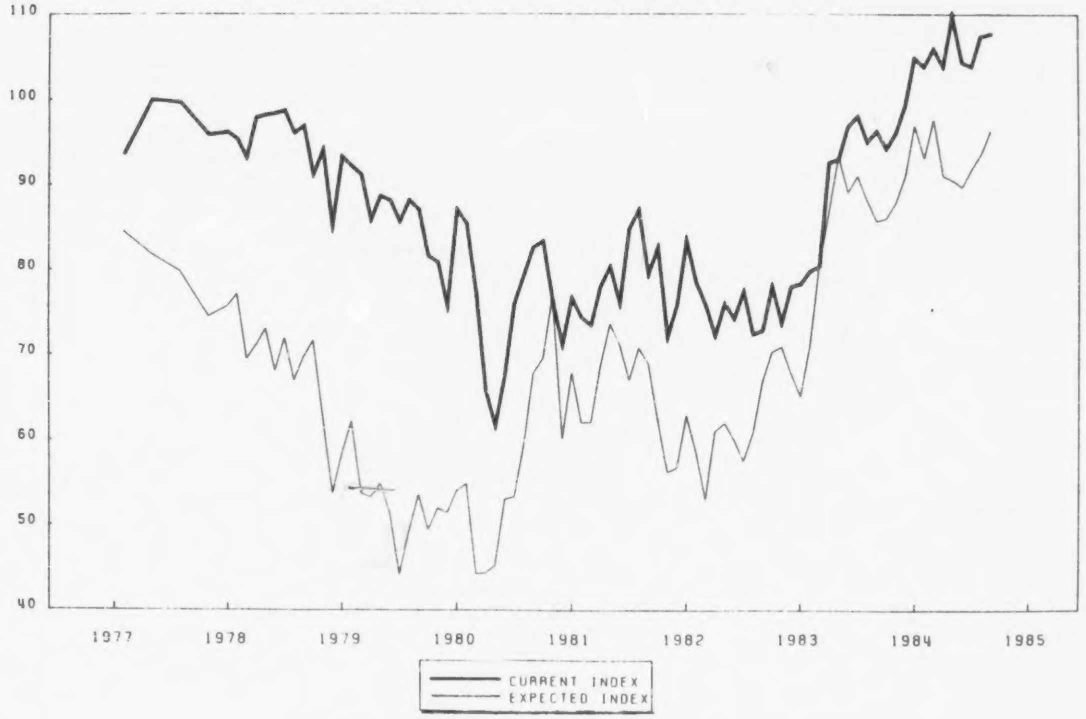
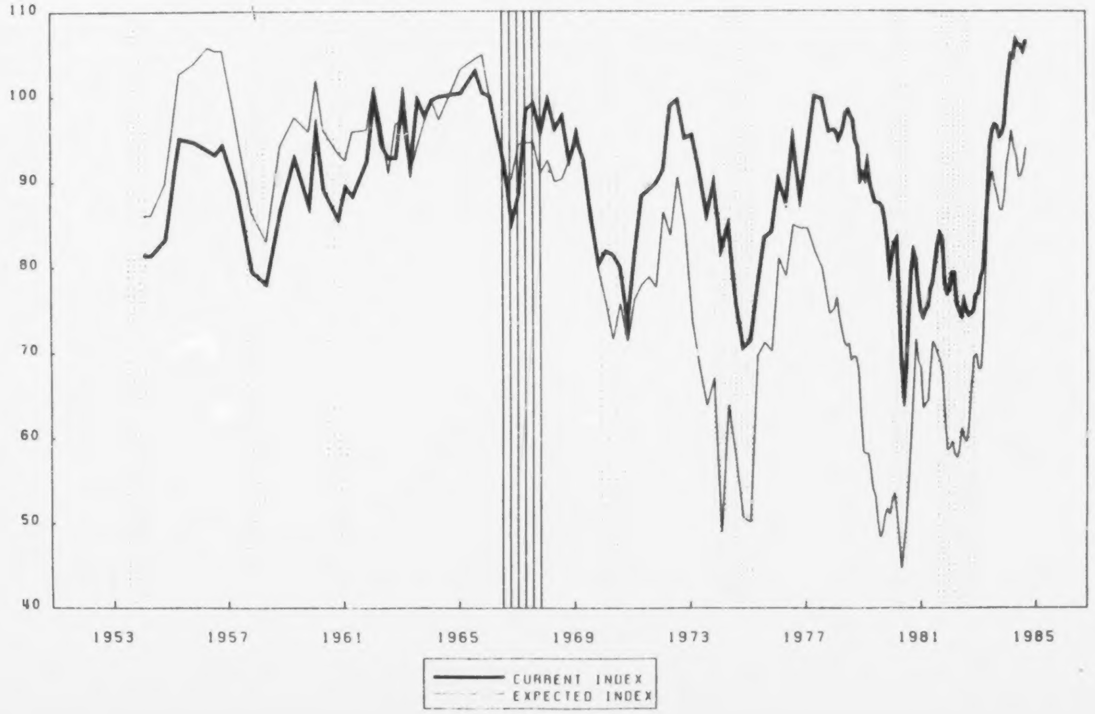


CHART 3 - HISTORICAL SERIES
CURRENT AND EXPECTED COMPONENTS



## TABLE 3

## COMPONENTS OF THE INDEX OF CONSUMER SENTIMENT

| | INDEX COMPONENTS + | | | | | | |
|---|---|---|---|---|---|---|---|
| | Personal finances | | Business conditions | | | | |
| | Current | Expected | 12 months | 5 years | Buying conds. | Current Index | Expected Index |
| DATE OF SURVEY | (1) | (2) | (3) | (4) | (5) | (1,5) | (2,3,4) |
| September 1981 | 94 | 113 | 80 | 80 | 109 | 79.5 | 69.3 |
| October 1981 | 95 | 110 | 68 | 67 | 117 | 82.7 | 62.3 |
| November 1981 | 85 | 110 | 54 | 56 | 99 | 72.1 | 56.3 |
| December 1981 | 94 | 110 | 54 | 61 | 101 | 75.9 | 56.8 |
| January 1982 | 92 | 115 | 66 | 70 | 124 | 83.5 | 62.9 |
| February 1982 | 91 | 112 | 56 | 65 | 111 | 78.6 | 58.7 |
| March 1982 | 89 | 106 | 44 | 60 | 106 | 75.9 | 53.1 |
| April 1982 | 87 | 111 | 62 | 70 | 99 | 72.3 | 61.1 |
| May 1982 | 94 | 113 | 62 | 72 | 102 | 76.1 | 62.0 |
| June 1982 | 92 | 116 | 58 | 65 | 99 | 74.3 | 60.1 |
| July 1982 | 90 | 113 | 53 | 63 | 110 | 77.5 | 57.6 |
| August 1982 | 89 | 110 | 64 | 69 | 97 | 72.5 | 60.9 |
| September 1982 | 89 | 116 | 76 | 74 | 98 | 72.9 | 66.9 |
| October 1982 | 95 | 119 | 79 | 83 | 106 | 78.1 | 70.4 |
| November 1982 | 85 | 121 | 77 | 86 | 105 | 73.8 | 71.0 |
| December 1982 | 90 | 117 | 74 | 80 | 111 | 78.1 | 67.9 |
| January 1983 | 91 | 115 | 76 | 69 | 111 | 78.4 | 65.2 |
| February 1983 | 89 | 117 | 87 | 81 | 117 | 79.9 | 71.2 |
| March 1983 | 92 | 126 | 113 | 85 | 115 | 80.5 | 80.9 |
| April 1983 | 108 | 131 | 120 | 99 | 131 | 92.7 | 86.9 |
| May 1983 | 101 | 137 | 139 | 100 | 139 | 93.1 | 93.4 |
| June 1983 | 110 | 128 | 134 | 97 | 141 | 96.9 | 89.2 |
| July 1983 | 111 | 126 | 136 | 104 | 143 | 98.1 | 91.1 |
| August 1983 | 106 | 124 | 130 | 100 | 140 | 95.1 | 88.2 |
| September 1983 | 109 | 125 | 125 | 95 | 140 | 96.4 | 85.8 |
| October 1983 | 104 | 124 | 124 | 98 | 140 | 94.3 | 86.1 |
| November 1983 | 111 | 127 | 129 | 98 | 138 | 96.1 | 87.9 |
| December 1983 | 123 | 125 | 140 | 102 | 134 | 99.3 | 91.0 |
| January 1984 | 117 | 129 | 154 | 108 | 155 | 104.9 | 97.0 |
| February 1984 | 119 | 130 | 139 | 106 | 151 | 103.9 | 93.2 |
| March 1984 | 122 | 135 | 146 | 113 | 153 | 106.0 | 97.7 |
| April 1984 | 117 | 124 | 136 | 106 | 153 | 103.9 | 91.1 |
| May 1984 | 121 | 129 | 131 | 105 | 164 | 109.8 | 90.6 |
| June 1984 | 126 | 124 | 131 | 106 | 145 | 104.4 | 89.8 |
| July 1984 | 117 | 124 | 133 | 113 | 152 | 103.9 | 91.9 |
| August 1984 | 125 | 129 | 137 | 111 | 153 | 107.5 | 93.7 |
| September 1984 | 125 | 131 | 142 | 116 | 154 | 107.8 | 96.4 |

(1) See Table 4.
(2) See Table 6.
(3) See Table 18.
(4) See Table 19.
(5) See Table 26.

+ : Percent saying "GOOD TIMES" (or "BETTER"), minus percent saying "BAD TIMES" (or "WORSE"), plus 100.

CHART 4 - RECENT CHANGES
CURRENT FINANCIAL SITUATION COMPARED WITH A YEAR AGO

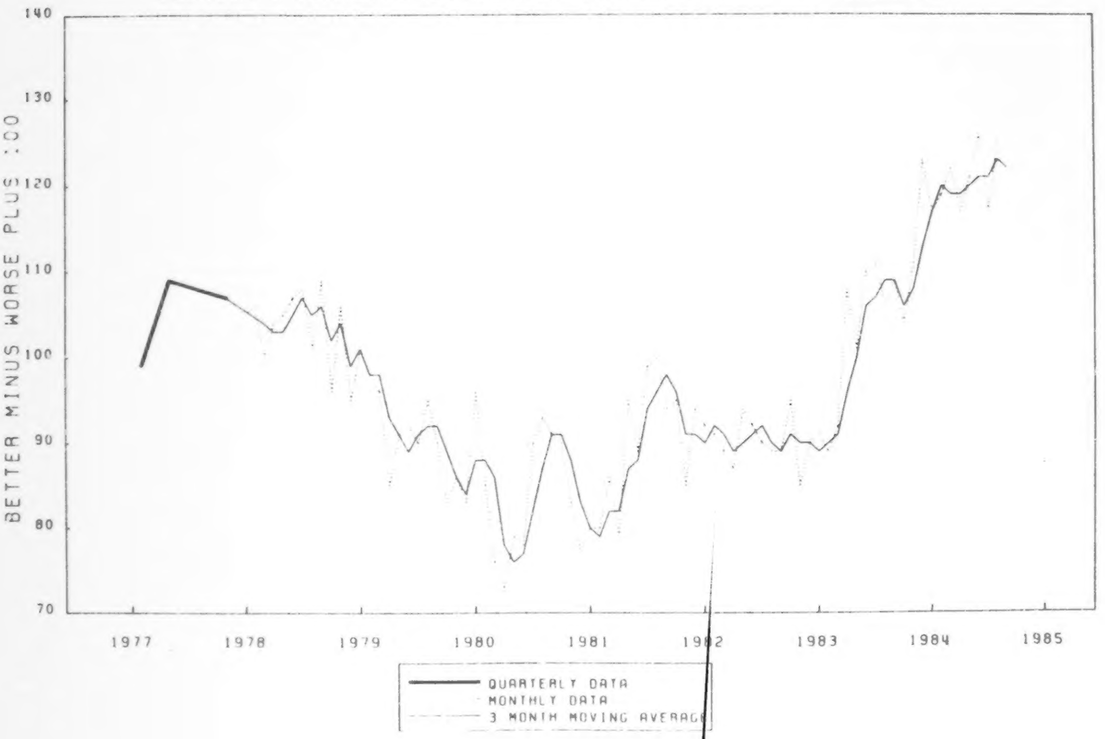
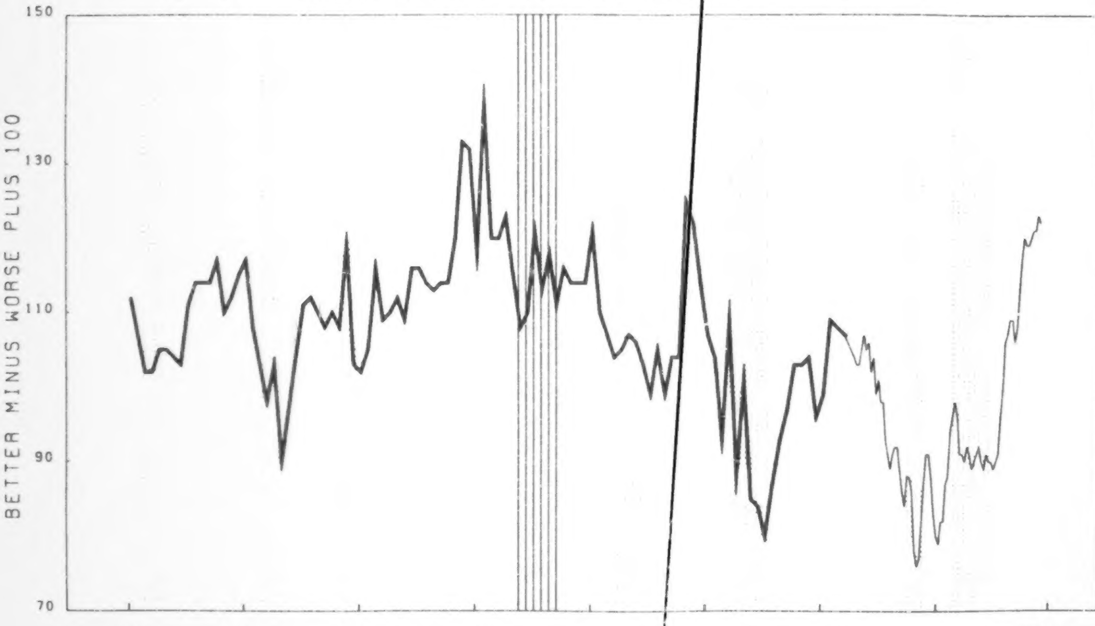


CHART 4 - HISTORICAL SERIES
CURRENT FINANCIAL SITUATION COMPARED WITH A YEAR AGO



## TABLE 4

## CURRENT FINANCIAL SITUATION COMPARED TO A YEAR AGO

| | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 | July 1984 | Aug. 1984 | Sept 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| BETTER OFF | 38% | 36% | 38% | 45% | 42% | 44% | 48% | 43% | 44% | 47% | 42% | 48% | 45% |
| SAME | 33 | 32 | 35 | 33 | 32 | 31 | 26 | 30 | 33 | 31 | 33 | 29 | 35 |
| WORSE OFF | 29 | 32 | 27 | 22 | 25 | 25 | 26 | 26 | 23 | 21 | 25 | 23 | 20 |
| DK,NA | * | * | * | * | 1 | * | * | 1 | * | 1 | * | * | * |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 | 690 | 680 | 656 | 693 | 690 |

The question was: "We are interested in how people are getting along financially these days. Would you say that you (and your family living there) are better off or worse off financially than you were a year ago?"

* : Less than half of one percent.

CHART 5 - RECENT CHANGES
REASONS FOR OPINIONS ABOUT PERSONAL FINANCIAL SITUATION

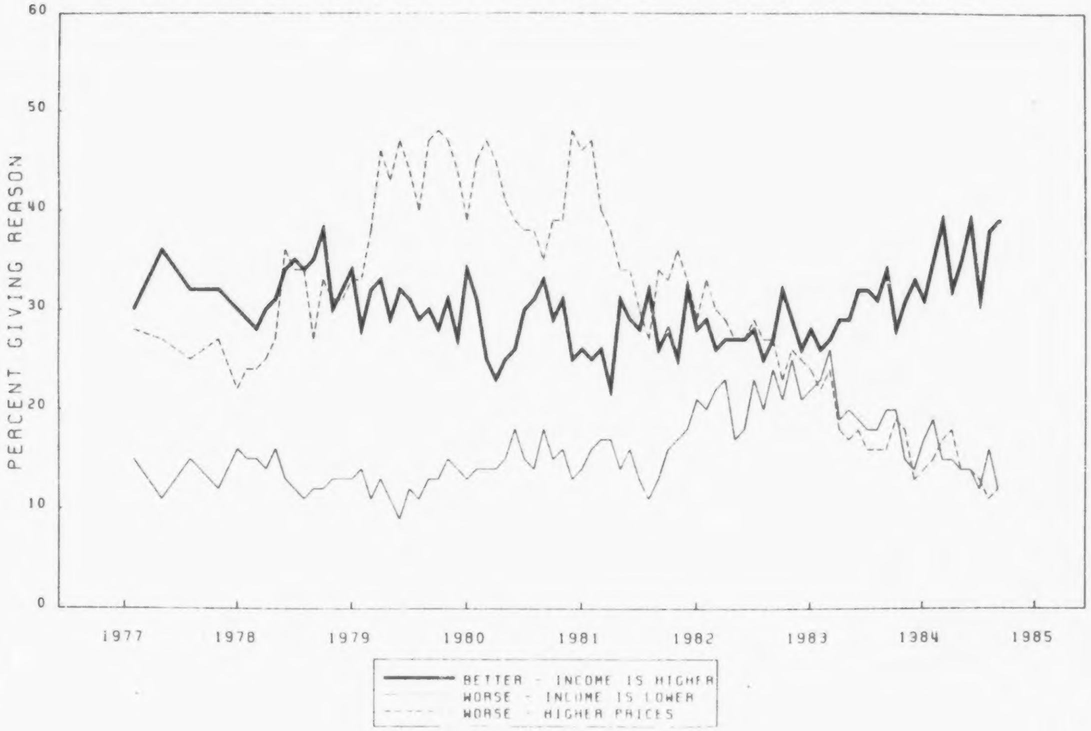
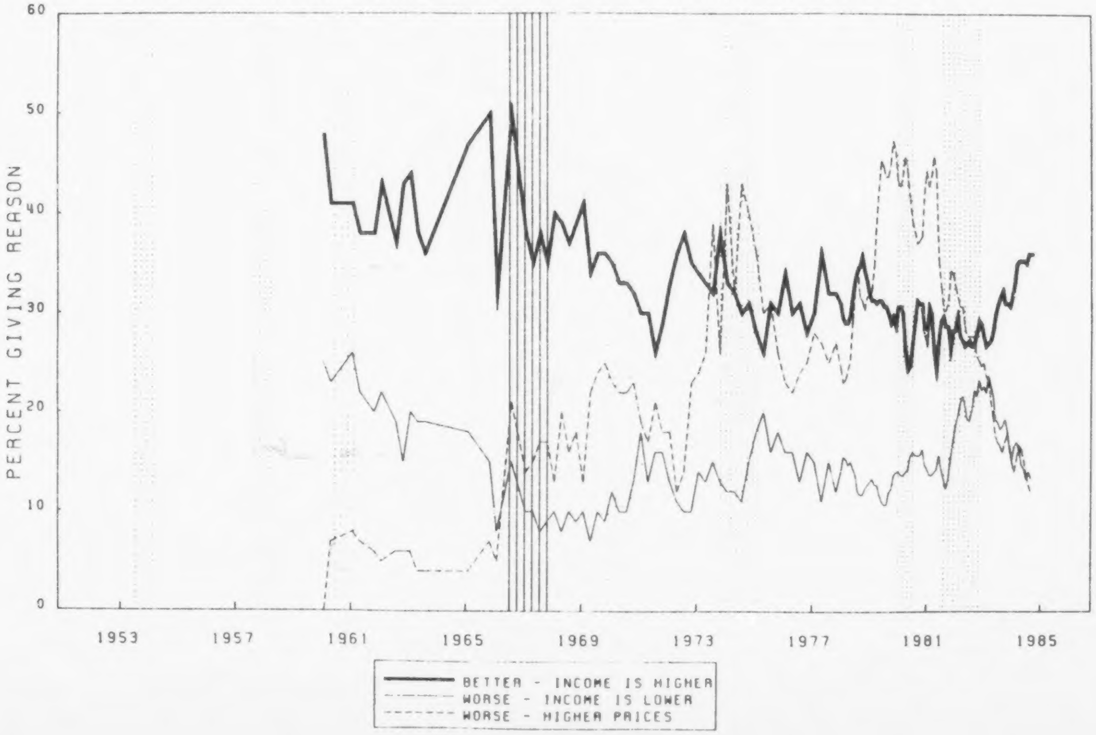


CHART 5 - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT PERSONAL FINANCIAL SITUATION



## TABLE 5

## SELECTED REASONS FOR OPINIONS ABOUT PERSONAL FINANCIAL SITUATION +

| | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 | July 1984 | Aug. 1984 | Sept 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| BETTER OFF THAN YEAR AGO: | | | | | | | | | | | | | |
| Income is higher | 34% | 28% | 31% | 33% | 31% | 35% | 39% | 32% | 35% | 39% | 31% | 38% | 39% |
| WORSE OFF THAN YEAR AGO: | | | | | | | | | | | | | |
| Income is lower | 20 | 20 | 15 | 14 | 17 | 19 | 15 | 15 | 14 | 14 | 12 | 16 | 12 |
| Higher prices | 16 | 19 | 18 | 13 | 14 | 15 | 17 | 18 | 14 | 14 | 13 | 11 | 12 |

Responses to the query: "Why do you say so?" following the question on Table 4.

+ : May add to more than 100% due to multiple mentions.

CHART 6 - RECENT CHANGES
EXPECTED CHANGE IN FINANCIAL SITUATION

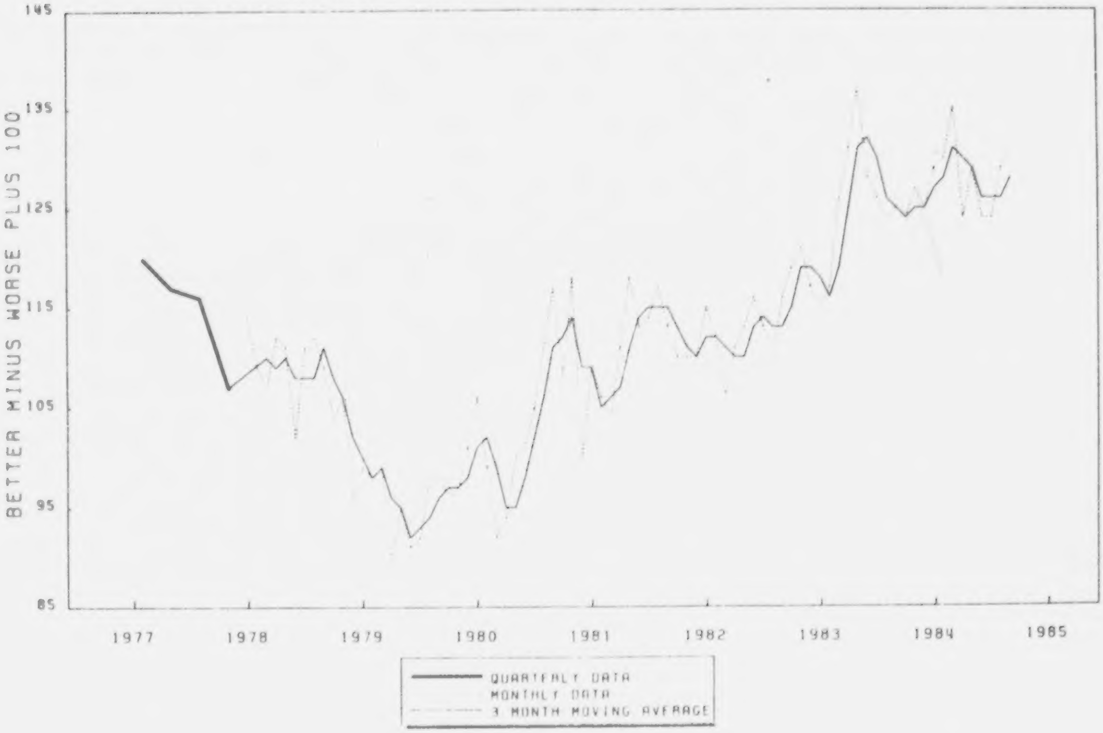
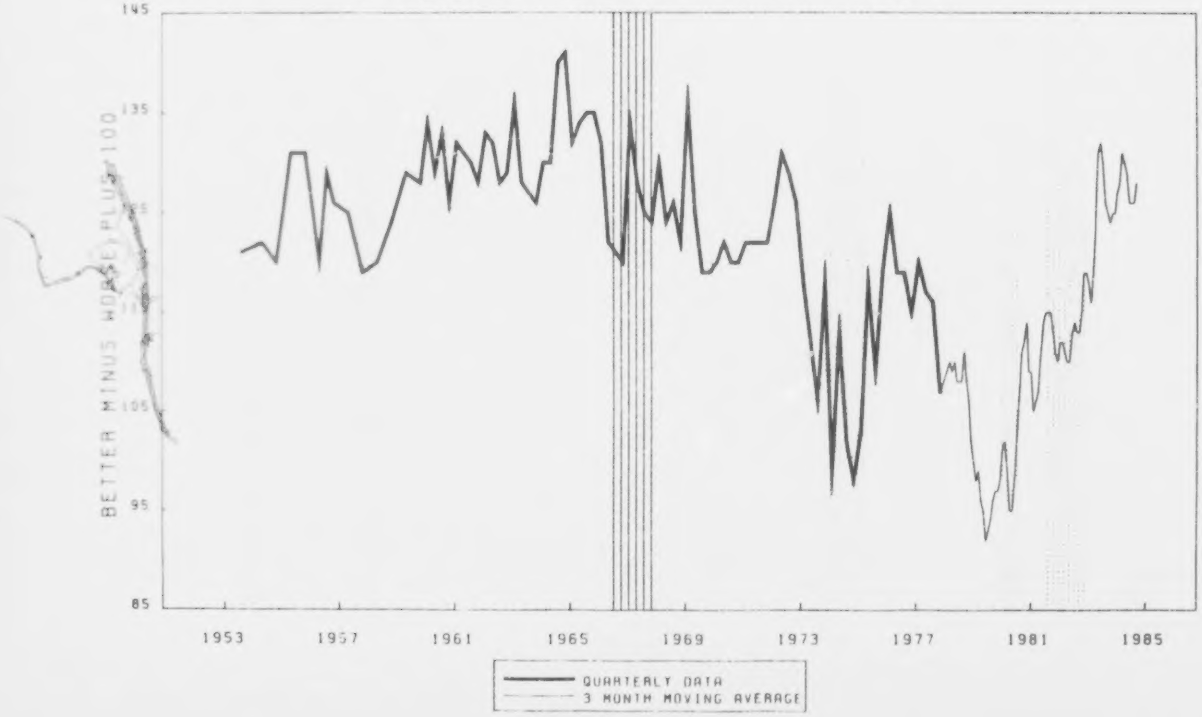


CHART 6 - HISTORICAL SERIES
EXPECTED CHANGE IN FINANCIAL SITUATION



## TABLE 6

## EXPECTED CHANGE IN FINANCIAL SITUATION

| | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 | July 1984 | Aug. 1984 | Sept 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| BETTER OFF | 37% | 37% | 38% | 35% | 38% | 41% | 44% | 37% | 40% | 35% | 34% | 38% | 39% |
| SAME | 48 | 46 | 47 | 51 | 50 | 44 | 44 | 48 | 47 | 52 | 51 | 49 | 49 |
| WORSE OFF | 12 | 13 | 11 | 10 | 9 | 11 | 9 | 13 | 11 | 11 | 10 | 9 | 8 |
| DK,NA | 3 | 4 | 4 | 4 | 3 | 4 | 3 | 2 | 2 | 2 | 5 | 4 | 4 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 | 690 | 680 | 656 | 693 | 690 |

The question was: "Now looking ahead--do you think that a year from now you (and your family living there) will be better off financially, or worse off, or just about the same as now?"

CHART 7 - RECENT CHANGES

TREND IN PERSONAL FINANCIAL SITUATION

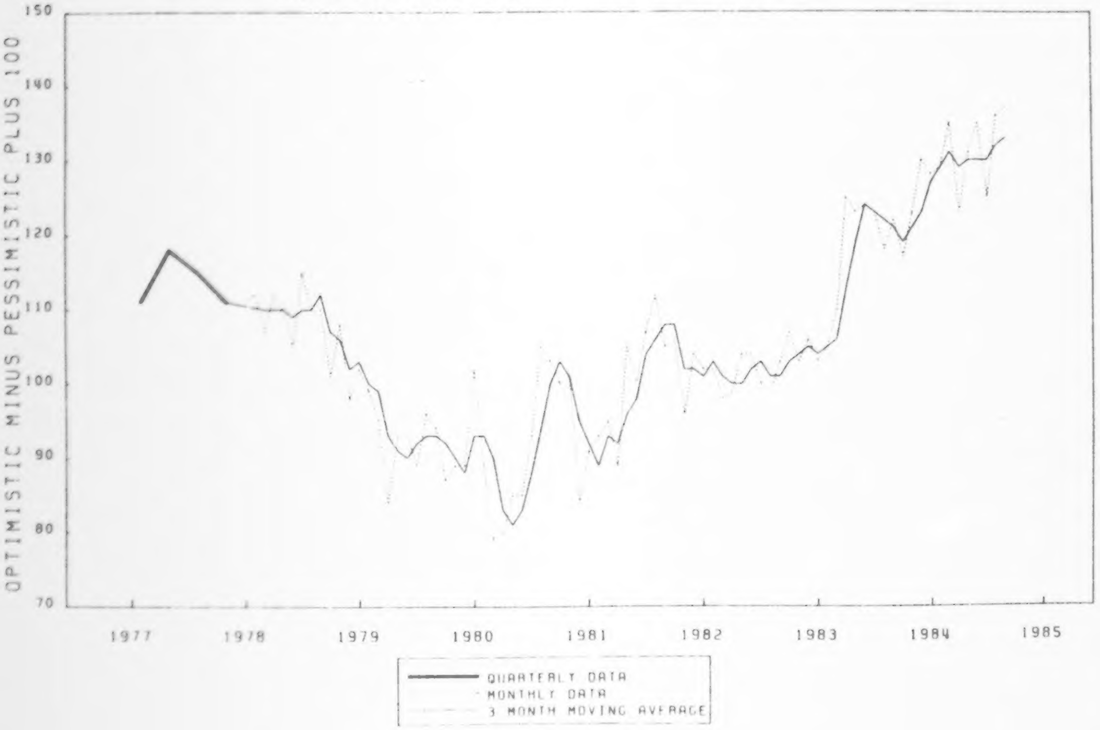
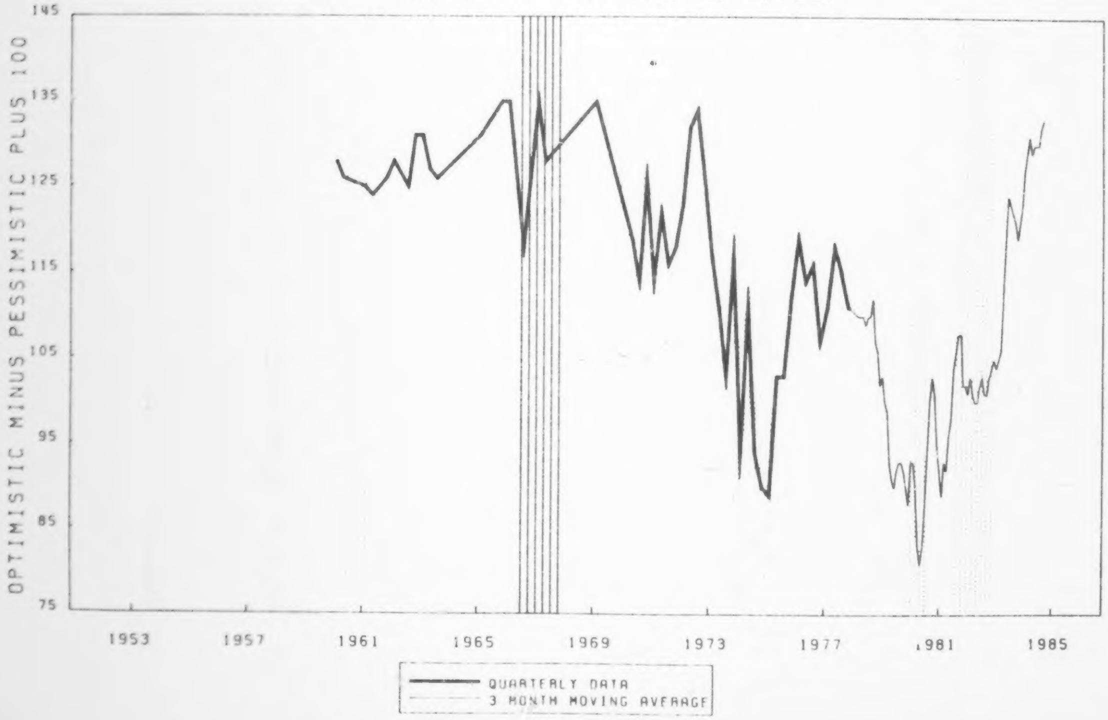


CHART 7 - HISTORICAL SERIES

TREND IN PERSONAL FINANCIAL SITUATION



## TABLE 7

## TREND IN PERSONAL FINANCIAL SITUATION

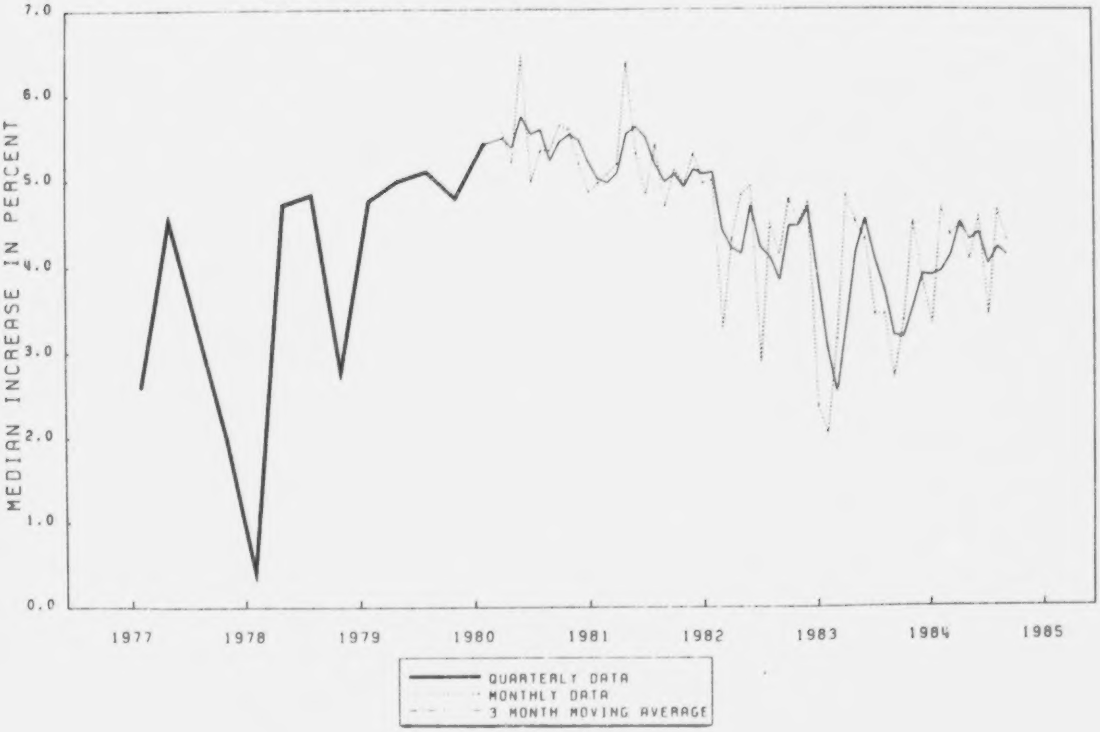
| | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 | July 1984 | Aug. 1984 | Sept 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| PERSONAL FINANCIAL PROGRESS: | | | | | | | | | | | | | |
| Continuous increase (a) | 18% | 19% | 20% | 22% | 22% | 24% | 27% | 23% | 23% | 20% | 22% | 24% | 25% |
| Intermittent increase (b) | 27 | 23 | 23 | 26 | 26 | 25 | 27 | 22 | 24 | 32 | 24 | 30 | 28 |
| Remain unchanged (c) | 18 | 18 | 21 | 22 | 18 | 17 | 14 | 19 | 21 | 19 | 21 | 17 | 20 |
| Intermittent decline (d) | 17 | 18 | 15 | 13 | 16 | 16 | 14 | 16 | 12 | 12 | 16 | 13 | 12 |
| Continuous decline (e) | 6 | 7 | 5 | 5 | 4 | 4 | 5 | 6 | 4 | 5 | 5 | 5 | 4 |
| Mixed change (f) | 11 | 11 | 11 | 8 | 10 | 10 | 10 | 11 | 14 | 10 | 7 | 8 | 7 |
| DK,NA | 3 | 4 | 5 | 4 | 4 | 4 | 3 | 3 | 2 | 2 | 5 | 3 | 4 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 | 690 | 680 | 656 | 693 | 690 |

Combination of the responses to the questions on Tables 4 and 6.

Key: (a) Better off financially than a year ago/Better off a year from now
(b) Better/Same or Same/Better
(c) Same/Same
(d) Worse/Same or Same/Worse
(e) Worse/Worse
(f) Worse/Better or Better/Worse

CHART 8 RECENT CHANGES

MEDIAN EXPECTED CHANGE IN FAMILY INCOME



## TABLE 8

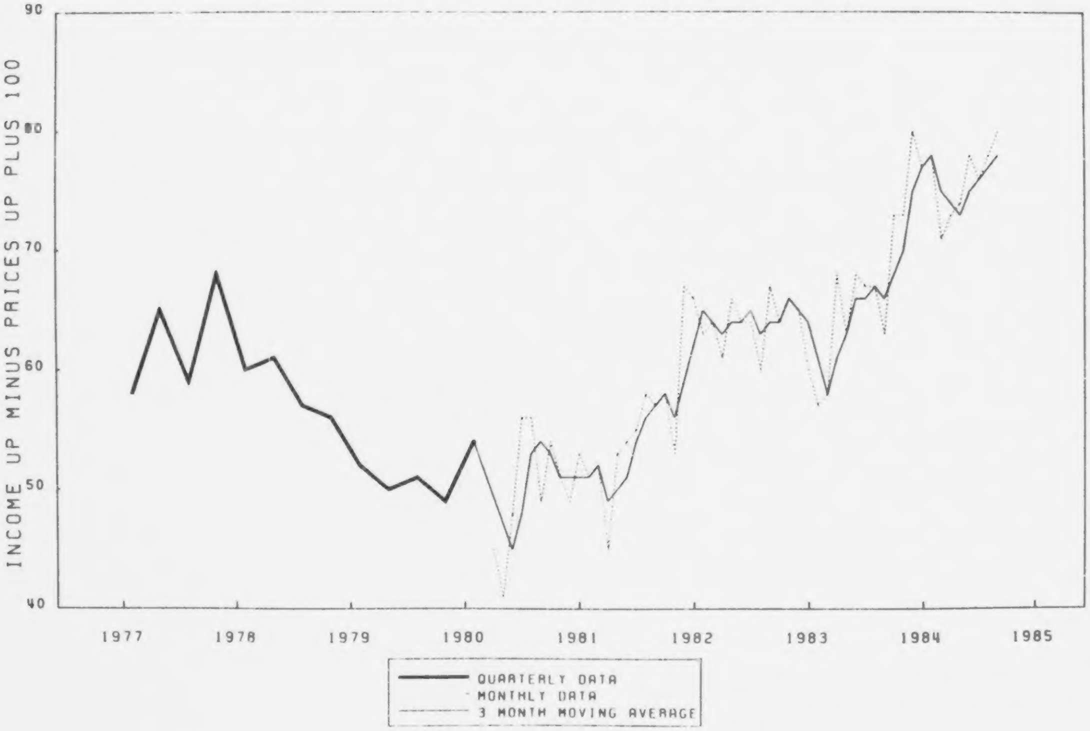
## EXPECTED FAMILY INCOME CHANGE DURING THE NEXT 12 MONTHS

| | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 | July 1984 | Aug. 1984 | Sept 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| EXPECT INCREASE: | | | | | | | | | | | | | |
| 1-4% | 11% | 11% | 12% | 12% | 15% | 13% | 14% | 11% | 11% | 12% | 17% | 13% | 15% |
| 5% | 12 | 10 | 9 | 10 | 11 | 13 | 9 | 11 | 9 | 11 | 12 | 11 | 10 |
| 6-9% | 5 | 10 | 8 | 10 | 8 | 10 | 8 | 8 | 7 | 12 | 8 | 11 | 10 |
| 10-24% | 14 | 15 | 19 | 16 | 16 | 19 | 18 | 18 | 21 | 17 | 17 | 18 | 18 |
| 25% or more | 9 | 7 | 8 | 7 | 7 | 6 | 11 | 8 | 8 | 7 | 6 | 7 | 7 |
| DK how much up | 6 | 5 | 7 | 5 | 4 | 4 | 6 | 5 | 6 | 3 | 4 | 3 | 4 |
| EXPECT SAME | 30 | 26 | 23 | 26 | 27 | 22 | 26 | 22 | 26 | 24 | 23 | 24 | 23 |
| EXPECT DOWN | 12 | 13 | 11 | 12 | 10 | 11 | 7 | 15 | 11 | 11 | 11 | 11 | 11 |
| DK,NA | 1 | 3 | 3 | 2 | 2 | 2 | 1 | 2 | 1 | 3 | 2 | 2 | 2 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 | 690 | 680 | 656 | 693 | 690 |

The questions were: "During the next 12 months, do you expect your (family) income to be higher or lower than during the past year?" and "By about what percent do you expect your (family) income to increase during the next 12 months?"

CHART 9 - RECENT CHANGES

INCOME OR PRICES UP MORE DURING THE LAST YEAR



## TABLE 9

## PAST CHANGE IN REAL FAMILY INCOME

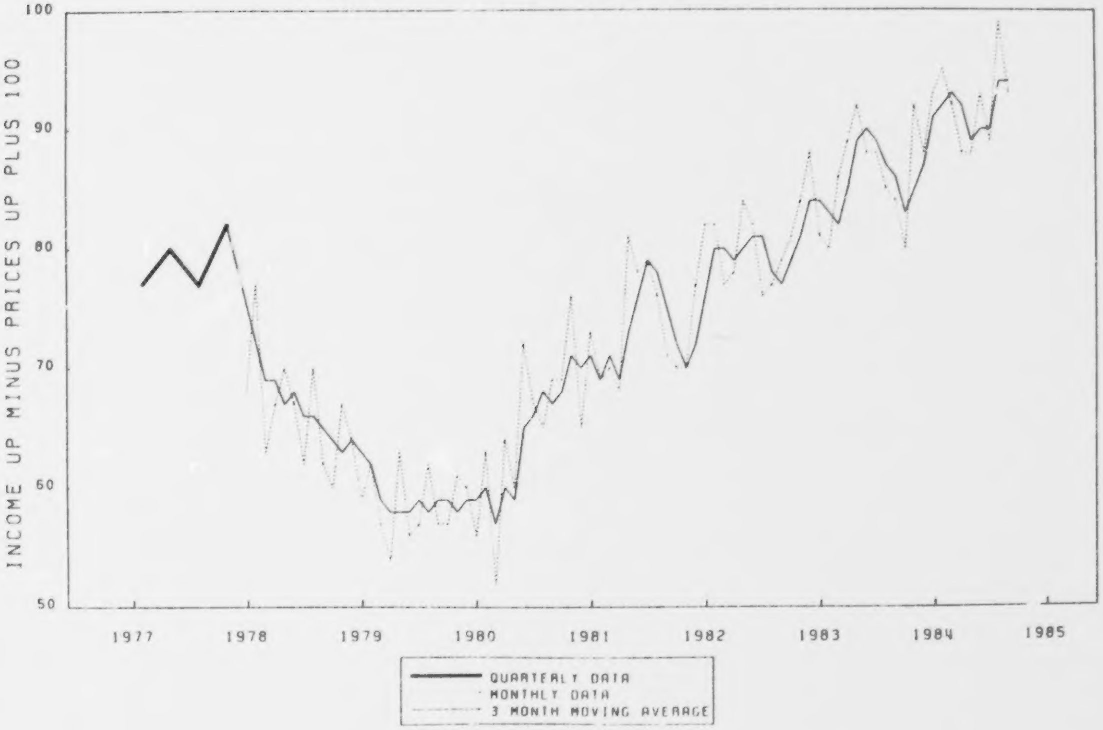
| | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 | July 1984 | Aug. 1984 | Sept 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| INCOME UP MORE | 15% | 20% | 22% | 23% | 23% | 22% | 20% | 20% | 20% | 21% | 21% | 21% | 22% |
| INCOME UP SAME | 31 | 32 | 28 | 32 | 29 | 32 | 30 | 32 | 33 | 34 | 33 | 34 | 36 |
| PRICES UP MORE | 52 | 47 | 49 | 43 | 46 | 44 | 49 | 47 | 46 | 43 | 45 | 43 | 42 |
| DK,NA | 2 | 1 | 1 | 2 | 2 | 2 | 1 | 1 | 1 | 2 | 1 | 2 | * |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 | 690 | 680 | 656 | 693 | 690 |

The question was: "During the last year or two, would you say that your (family) income went up more than prices, went up about the same as prices, or went up less than prices?"

* : Less than half of one percent.

CHART 10 - RECENT CHANGES

INCOME OR PRICES UP MORE NEXT YEAR



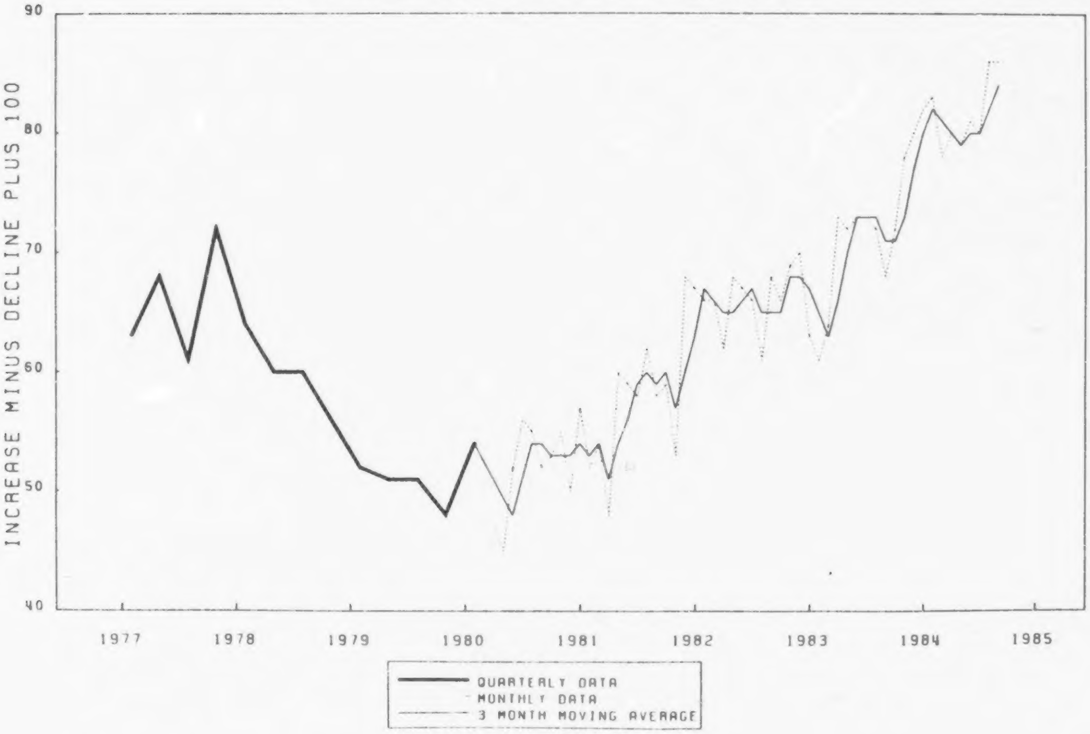
## TABLE 10

## EXPECTED CHANGE IN REAL FAMILY INCOME

| | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 | July 1984 | Aug. 1984 | Sept 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| INCOME UP MORE | 19% | 18% | 23% | 20% | 23% | 24% | 23% | 21% | 22% | 22% | 22% | 25% | 23% |
| INCOME UP SAME | 44 | 41 | 42 | 45 | 45 | 45 | 44 | 43 | 42 | 47 | 41 | 45 | 44 |
| PRICES UP MORE | 35 | 38 | 31 | 32 | 30 | 29 | 31 | 33 | 34 | 29 | 33 | 26 | 30 |
| DK,NA | 2 | 3 | 4 | 3 | 2 | 2 | 2 | 3 | 2 | 2 | 4 | 4 | 3 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 | 690 | 680 | 656 | 693 | 690 |

The question was: "How about the next year or two--do you expect that your (family) income will go up more than prices will go up, about the same, or less than prices will go up?"

CHART 11 - RECENT CHANGES
TREND IN INCOME AND PRICE COMPARISON



## TABLE 11

## TREND IN FAMILY INCOME AND PRICES COMPARISONS

| | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 | July 1984 | Aug. 1984 | Sept 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| REAL INCOME PROGRESS: | | | | | | | | | | | | | |
| Continuous increase (a) | 8% | 11% | 13% | 12% | 12% | 13% | 12% | 10% | 9% | 11% | 10% | 12% | 12% |
| Intermittent increase (b) | 10 | 10 | 12 | 14 | 14 | 13 | 12 | 14 | 17 | 13 | 14 | 15 | 16 |
| Remain unchanged (c) | 21 | 20 | 17 | 19 | 19 | 20 | 20 | 21 | 17 | 22 | 20 | 21 | 22 |
| Intermittent decline (d) | 23 | 21 | 23 | 23 | 21 | 22 | 20 | 18 | 22 | 23 | 20 | 22 | 20 |
| Continuous decline (e) | 27 | 28 | 24 | 23 | 23 | 21 | 26 | 26 | 25 | 20 | 24 | 19 | 22 |
| Mixed change (f) | 8 | 7 | 7 | 6 | 8 | 6 | 8 | 7 | 7 | 8 | 8 | 6 | 5 |
| DK,NA | 3 | 3 | 4 | 3 | 3 | 5 | 2 | 4 | 3 | 3 | 4 | 5 | 3 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 | 690 | 680 | 656 | 693 | 690 |

Combination of the responses to the questions on Tables 9 and 10.

Key: (a) Income up more last year/Income up more next year
(b) Income up more/Same or Income up same/More
(c) Income up same/Same
(d) Prices up more/Same or Prices up same/More
(e) Prices up more/More
(f) Income up more/Prices up more or Prices up more/Income up more

CHART 12 - RECENT CHANGES

NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS

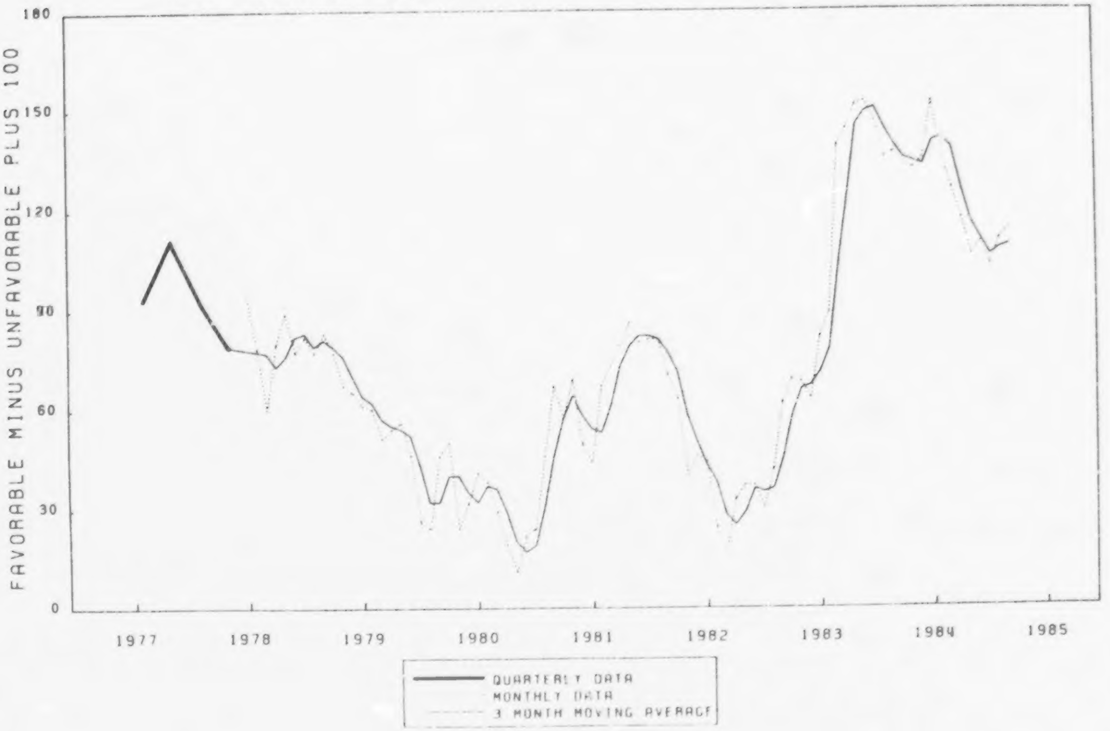
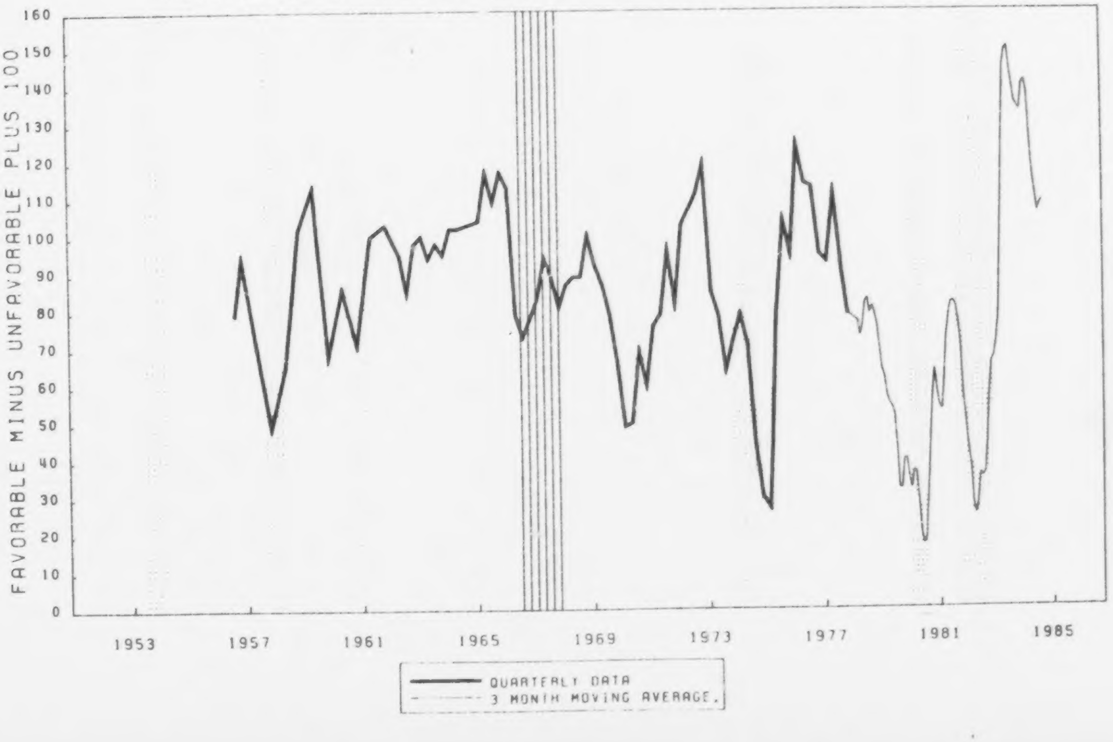


CHART 1 - HISTORICAL SERIES

NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS



## TABLE 12

## NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS +

| | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 | July 1984 | Aug. 1984 | Sept 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| FAVORABLE NEWS | 64% | 63% | 62% | 60% | 78% | 66% | 58% | 49% | 47% | 50% | 42% | 51% | 52% |
| UNFAVORABLE NEWS | 27 | 30 | 30 | 25 | 26 | 31 | 32 | 32 | 41 | 40 | 39 | 40 | 38 |
| NO MENTIONS | 43 | 41 | 39 | 42 | 33 | 38 | 43 | 46 | 41 | 41 | 46 | 39 | 41 |

The questions were: "During the last few months, have you heard of any favorable or unfavorable changes in business conditions?" and "What did you hear?"

+ : May add to more than 100% due to multiple mentions.

CHART 13B - HISTORICAL SERIES

TYPE OF NEWS HEARD ABOUT CHANGES IN BUSINESS CONDITIONS

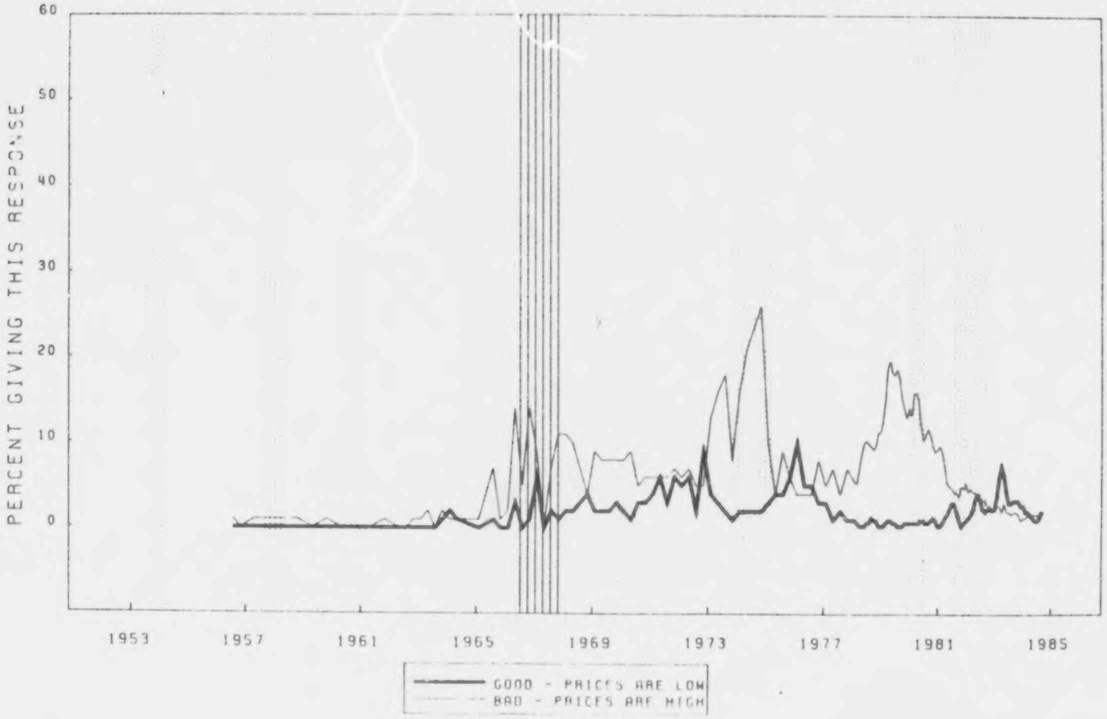
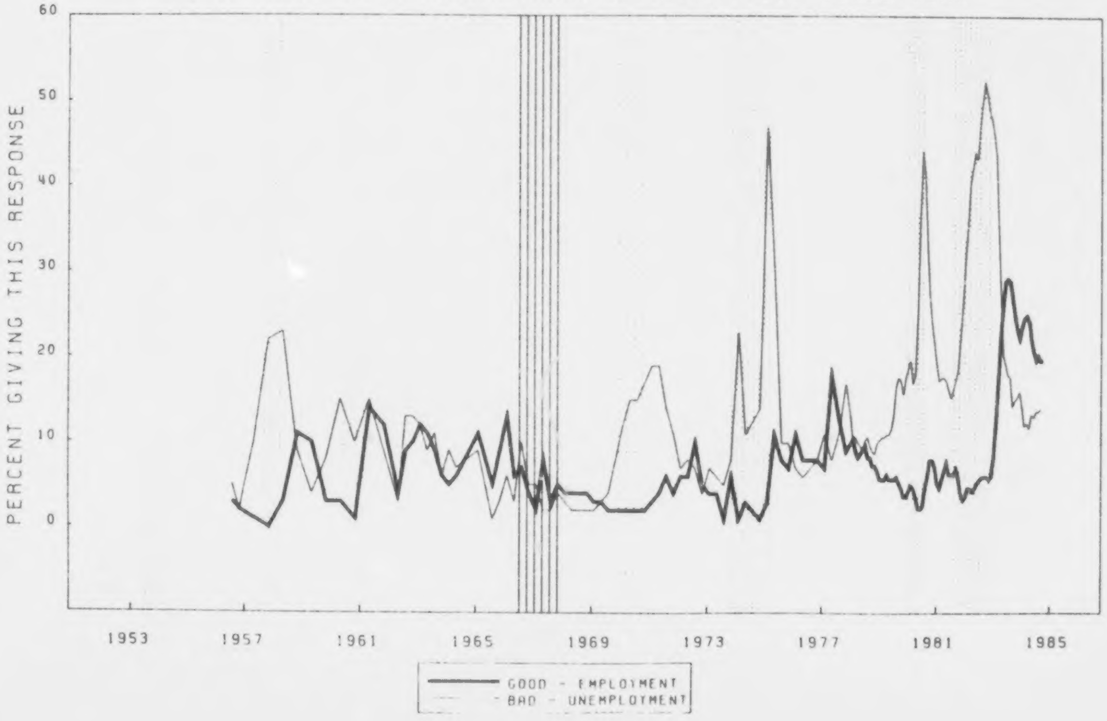


CHART 13B - HISTORICAL SERIES

TYPE OF NEWS HEARD ABOUT CHANGES IN BUSINESS CONDITIONS



## TABLE 13

### SELECTED ITEMS OF
### NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS +

| | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 | July 1984 | Aug. 1984 | Sept 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| FAVORABLE NEWS: | | | | | | | | | | | | | |
| Government; elections | 1% | 2% | 2% | 1% | 3% | 2% | 1% | 1% | 1% | 2% | 2% | 2% | 3% |
| Employment | 25 | 23 | 22 | 22 | 27 | 25 | 25 | 23 | 18 | 21 | 20 | 20 | 19 |
| Consumer demand high | 11 | 11 | 13 | 12 | 18 | 15 | 10 | 8 | 10 | 8 | 4 | 7 | 7 |
| Prices are low | 4 | 3 | 3 | 2 | 3 | 1 | 2 | 1 | 1 | 1 | 1 | 2 | 3 |
| Credit is easy | 8 | 7 | 5 | 4 | 5 | 4 | 5 | 4 | 2 | 3 | 2 | 4 | 3 |
| UNFAVORABLE NEWS: | | | | | | | | | | | | | |
| Government; elections | 1 | 1 | 2 | 3 | 2 | 5 | 4 | 2 | 3 | 2 | 4 | 4 | 4 |
| Unemployment | 11 | 18 | 17 | 13 | 13 | 10 | 14 | 11 | 15 | 13 | 13 | 15 | 14 |
| Consumer demand low | 1 | 1 | 2 | * | 2 | 1 | 1 | * | 2 | 1 | 2 | 2 | 2 |
| Prices are high | 3 | 1 | 1 | 1 | 2 | 1 | 2 | 1 | 2 | 2 | 1 | 2 | 2 |
| Credit is tight | 4 | 2 | 1 | 2 | 1 | 2 | 3 | 9 | 10 | 12 | 13 | 9 | 6 |
| Energy crisis | * | * | * | * | * | * | * | * | * | * | * | * | * |

The questions were: "During the last few months, have you heard of any favorable or unfavorable changes in business conditions?" and "What did you hear?"

+ : May add to more than 100% due to multiple mentions.

* : Less than half of one percent.

CHART 14 - RECENT CHANGES
CURRENT BUSINESS CONDITIONS COMPARED WITH A YEAR AGO

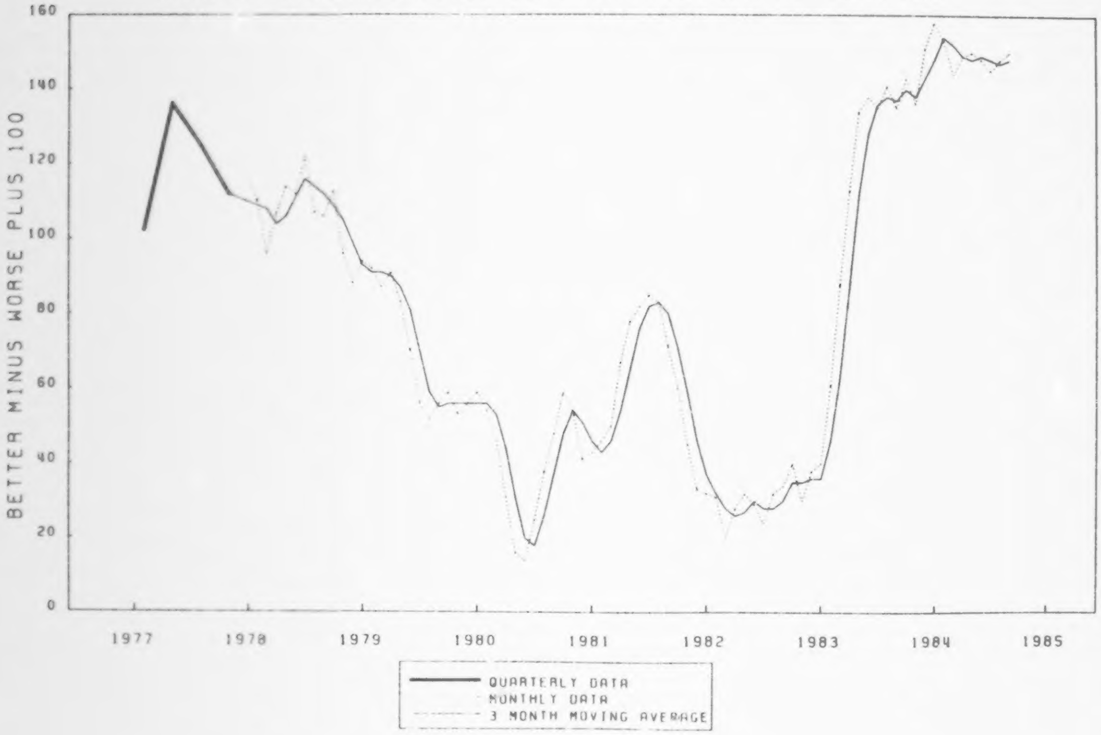
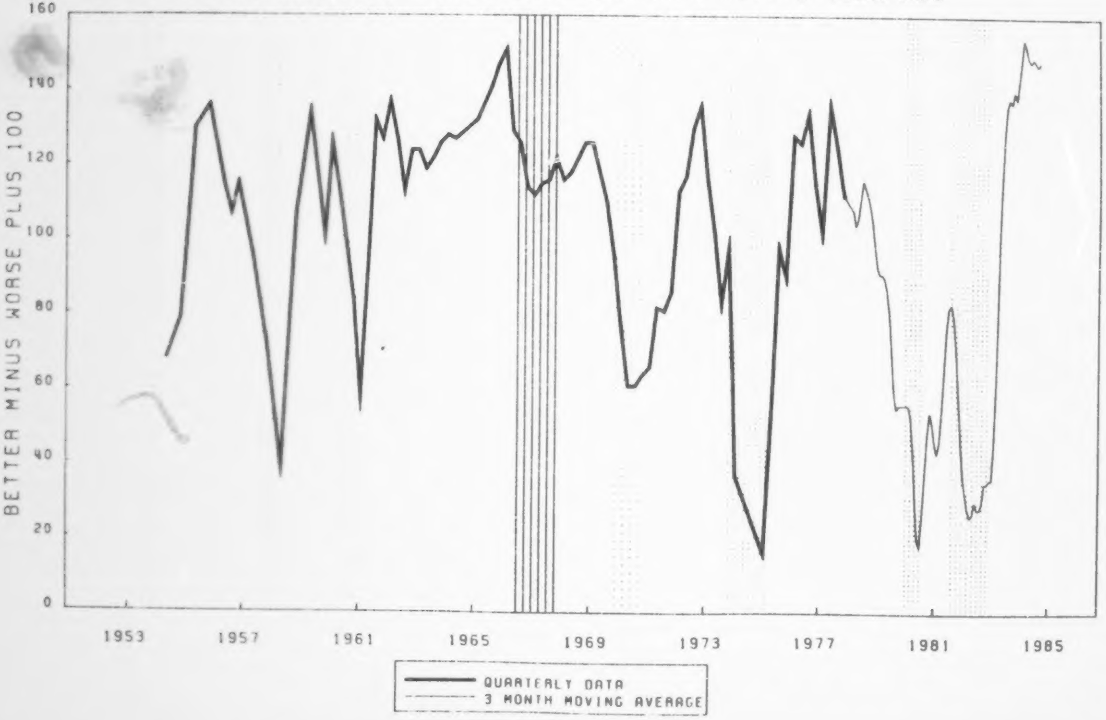


CHART 14 - HISTORICAL SERIES
CURRENT BUSINESS CONDITIONS COMPARED WITH A YEAR AGO



## TABLE 14

## CURRENT BUSINESS CONDITIONS COMPARED TO A YEAR AGO

| | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 | July 1984 | Aug. 1984 | Sept 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| BETTER NOW | 62% | 66% | 63% | 71% | 75% | 72% | 67% | 68% | 70% | 67% | 67% | 68% | 68% |
| SAME | 10 | 9 | 8 | 8 | 6 | 8 | 9 | 11 | 9 | 12 | 9 | 11 | 12 |
| WORSE NOW | 27 | 23 | 27 | 20 | 17 | 19 | 23 | 19 | 20 | 19 | 22 | 20 | 18 |
| DK,NA | 1 | 2 | 2 | 1 | 2 | 1 | 1 | 2 | 1 | 2 | 2 | 1 | 2 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 | 690 | 680 | 656 | 693 | 690 |

The question was: "Would you say that at the present time business conditions are better or worse than they were a year ago?"

CHART 15 - RECENT CHANGES

EXPECTED CHANGE IN BUSINESS CONDITIONS IN A YEAR

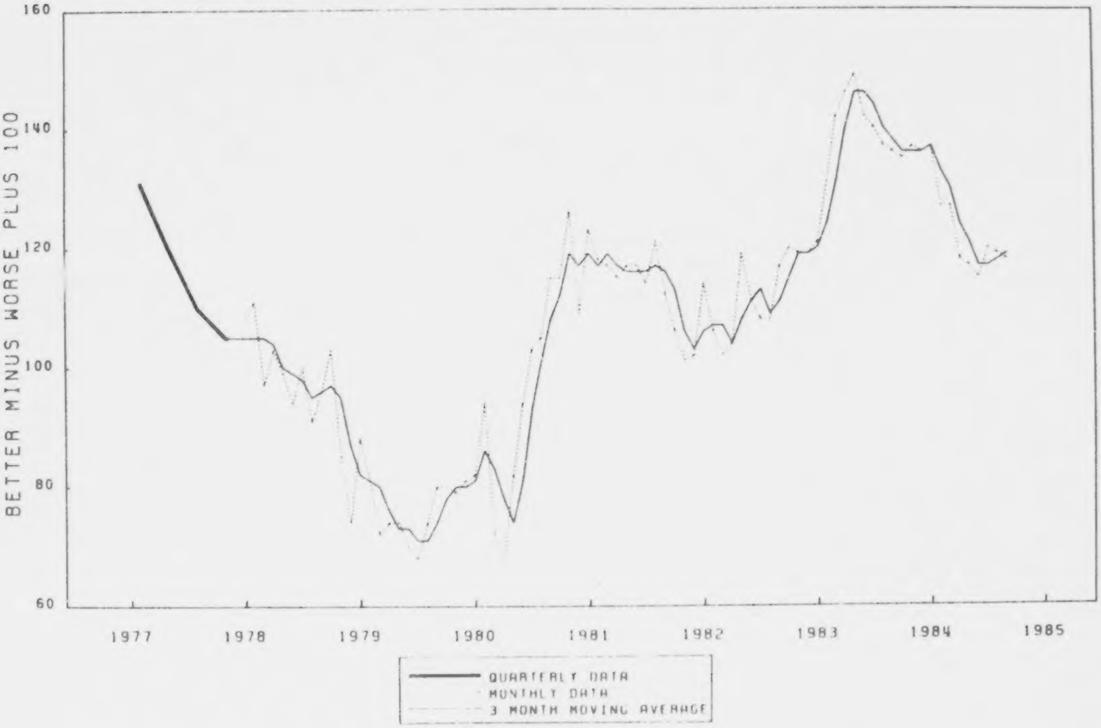
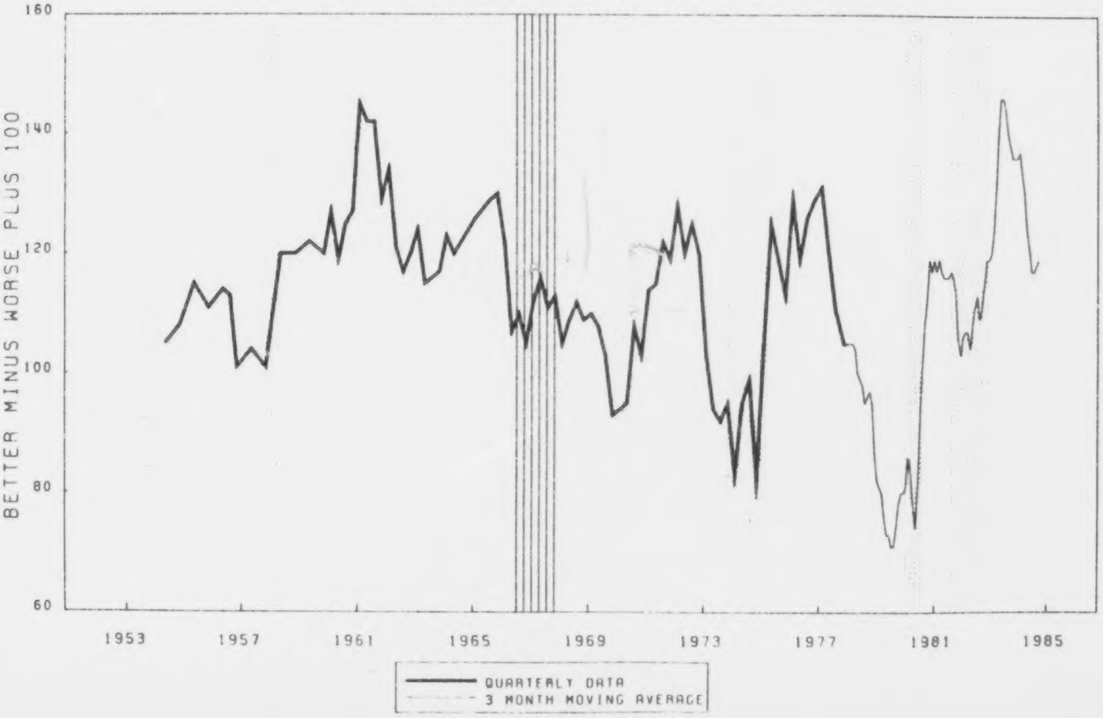


CHART 15 - HISTORICAL SERIES

EXPECTED CHANGE IN BUSINESS CONDITIONS IN A YEAR



## TABLE 15

## EXPECTED CHANGE IN BUSINESS CONDITIONS IN A YEAR

| | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 | July 1984 | Aug. 1984 | Sept 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| BETTER | 46% | 46% | 46% | 44% | 46% | 38% | 38% | 32% | 31% | 30% | 32% | 33% | 33% |
| SAME | 42 | 41 | 43 | 45 | 43 | 48 | 49 | 52 | 53 | 53 | 51 | 49 | 48 |
| WORSE | 10 | 11 | 9 | 8 | 9 | 11 | 11 | 14 | 14 | 15 | 12 | 14 | 15 |
| DK,NA | 2 | 2 | 2 | 3 | 2 | 3 | 2 | 2 | 2 | 2 | 5 | 4 | 4 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 | 690 | 680 | 656 | 693 | 690 |

The question was: "And how about a year from now, do you expect that in the country as a whole business conditions will be better, or worse than they are at present, or just about the same?"

CHART 16A - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUSINESS CONDITIONS IN A YEAR

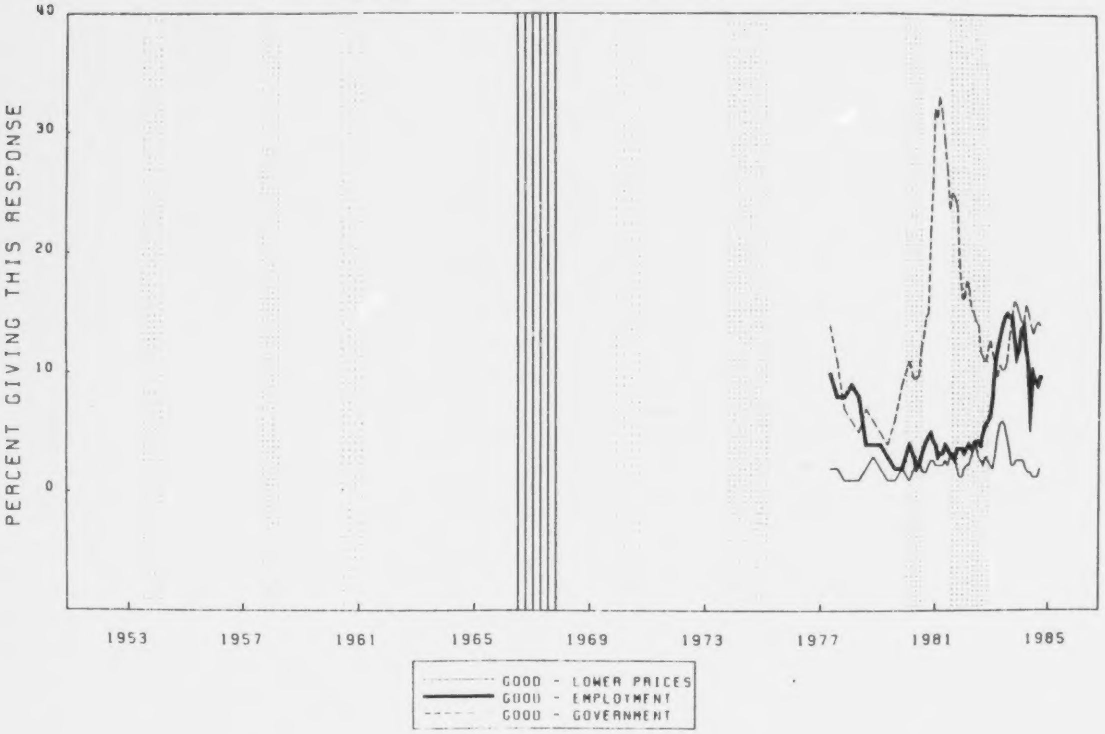
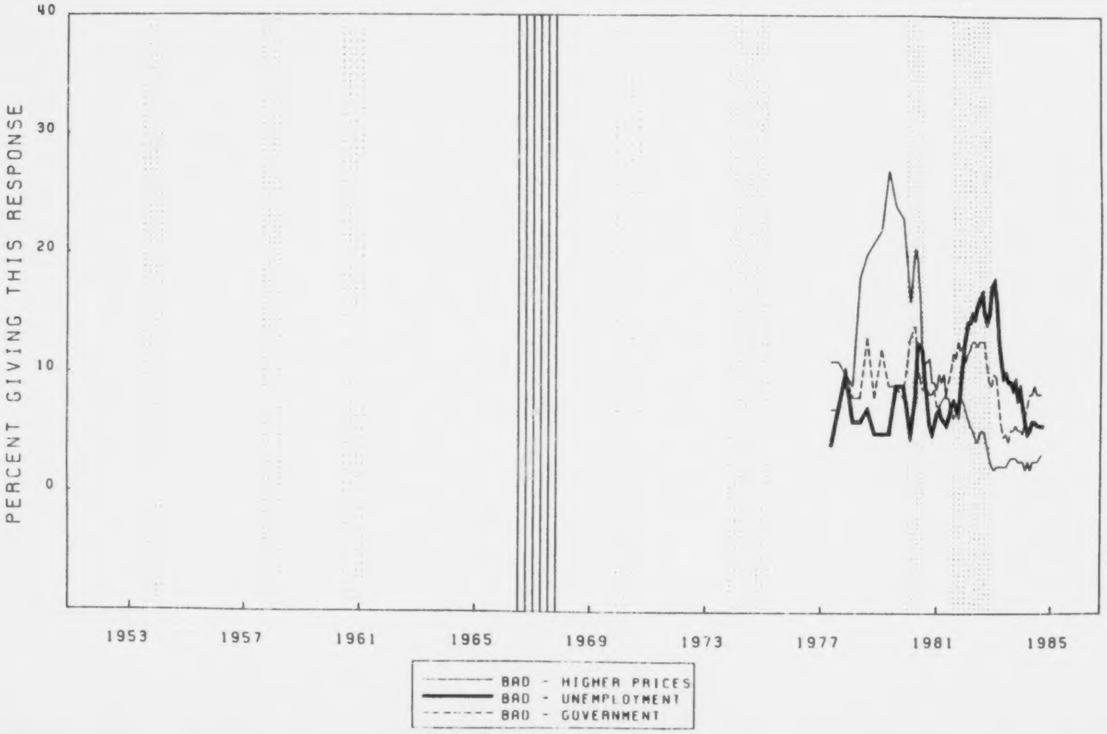


CHART 16B - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUSINESS CONDITIONS IN A YEAR



## TABLE 16

## REASONS FOR OPINIONS ABOUT CHANGES IN BUSINESS CONDITIONS IN A YEAR +

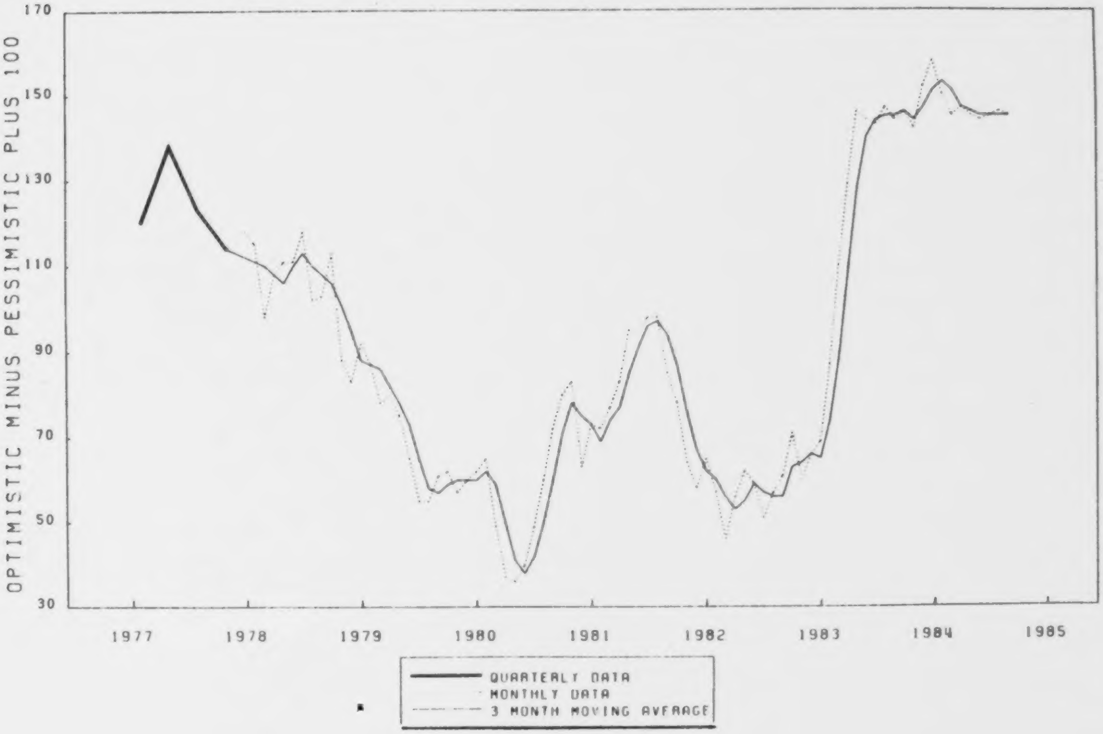
| | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 | July 1984 | Aug. 1984 | Sept 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| FAVORABLE REASONS: | | | | | | | | | | | | | |
| Government; elections | 15% | 17% | 15% | 13% | 15% | 15% | 17% | 13% | 12% | 15% | 15% | 13% | 14% |
| Employment | 14 | 10 | 10 | 16 | 15 | 11 | 10 | 11 | 9 | 10 | 9 | 8 | 12 |
| Higher consumer demand | 7 | 8 | 8 | 8 | 8 | 5 | 4 | 4 | 5 | 4 | 5 | 5 | 2 |
| Lower prices | 2 | 3 | 2 | 3 | 3 | 1 | 2 | 1 | 2 | 1 | 1 | 2 | 3 |
| Easier credit | 5 | 6 | 4 | 4 | 3 | 4 | 2 | 2 | 2 | 2 | 4 | 4 | 4 |
| UNFAVORABLE REASONS: | | | | | | | | | | | | | |
| Government; elections | 6 | 5 | 5 | 6 | 4 | 9 | 9 | 7 | 9 | 11 | 5 | 9 | 11 |
| Unemployment | 9 | 10 | 8 | 8 | 6 | 4 | 5 | 7 | 6 | 5 | 6 | 6 | 5 |
| Lower consumer demand | 1 | 3 | 2 | 2 | 2 | 1 | 1 | 2 | 2 | 2 | 2 | 3 | 2 |
| Higher prices | 2 | 3 | 3 | 2 | 3 | 1 | 3 | 2 | 3 | 2 | 3 | 4 | 3 |
| Tighter credit | 2 | 2 | 2 | 1 | 2 | 4 | 2 | 7 | 7 | 8 | 7 | 5 | 4 |
| Energy crisis | * | * | * | * | * | * | * | * | * | * | * | * | * |

The question was: "Why do you expect business conditions to be better/the same/worse a year from now?" following the question on table 15.

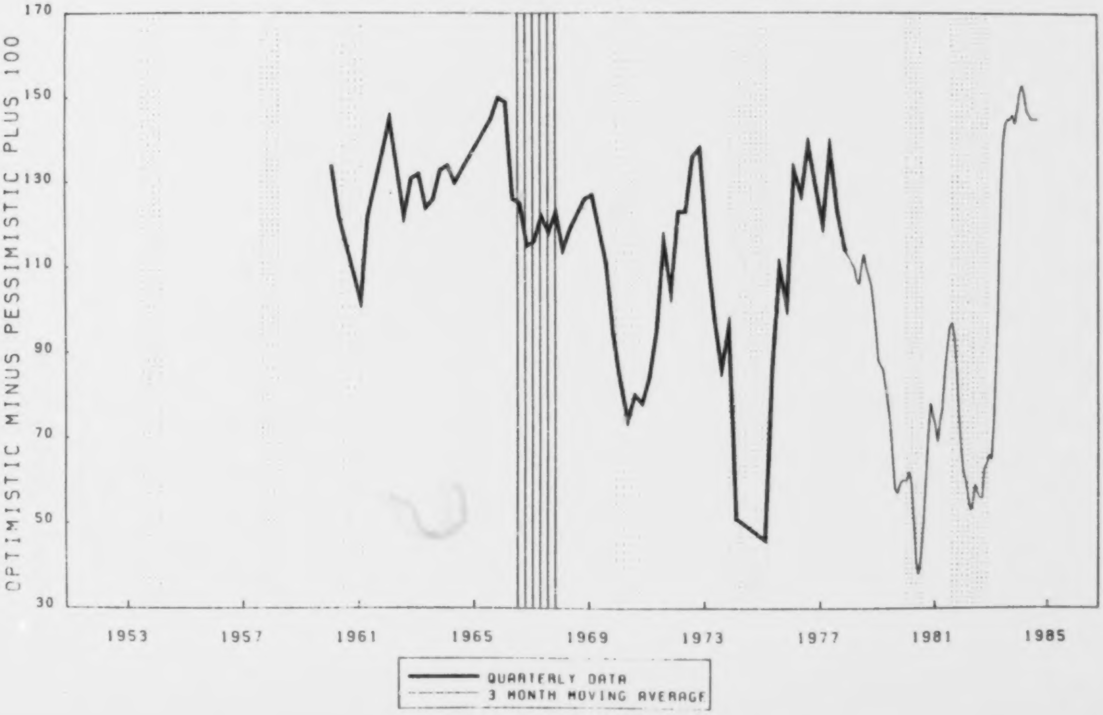
+ : May add to more than 100% due to multiple mentions.

* : Less than half of one percent.

## CHART 17 - RECENT CHANGES
## TREND IN PAST AND EXPECTED BUSINESS CONDITIONS



## CHART 17 - HISTORICAL SERIES
## TREND IN PAST AND EXPECTED BUSINESS CONDITIONS



## TABLE 17

## TREND IN PAST AND EXPECTED CHANGES IN BUSINESS CONDITIONS

| | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 | July 1984 | Aug. 1984 | Sept 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| TREND: | | | | | | | | | | | | | |
| Continuous increase (a) | 34% | 39% | 36% | 38% | 41% | 32% | 31% | 25% | 27% | 25% | 25% | 25% | 27% |
| Intermittent increase (b) | 28 | 26 | 27 | 30 | 31 | 34 | 32 | 39 | 36 | 37 | 38 | 36 | 35 |
| Remain unchanged (c) | 7 | 5 | 4 | 6 | 4 | 5 | 6 | 7 | 7 | 7 | 4 | 6 | 6 |
| Intermittent decline (d) | 12 | 13 | 17 | 12 | 10 | 12 | 14 | 10 | 13 | 11 | 12 | 10 | 11 |
| Continuous decline (e) | 6 | 6 | 4 | 4 | 4 | 4 | 4 | 7 | 5 | 7 | 6 | 5 | 6 |
| Mixed change (f) | 10 | 7 | 9 | 7 | 7 | 10 | 10 | 9 | 10 | 9 | 9 | 12 | 10 |
| DK,NA | 3 | 4 | 3 | 3 | 3 | 3 | 3 | 3 | 2 | 4 | 6 | 6 | 5 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 | 690 | 680 | 656 | 693 | 690 |

Combination of the responses to the questions on Tables 14 and 15.

Key: (a) Better than a year ago/Better a year from now
(b) Better/Same or Same/Better
(c) Same/Same
(d) Worse/Same or Same/Worse
(e) Worse/Worse
(f) Worse/Better or Better/Worse

CHART 18 - RECENT CHANGES
BUSINESS CONDITIONS EXPECTED DURING THE NEXT TWELVE MONTHS

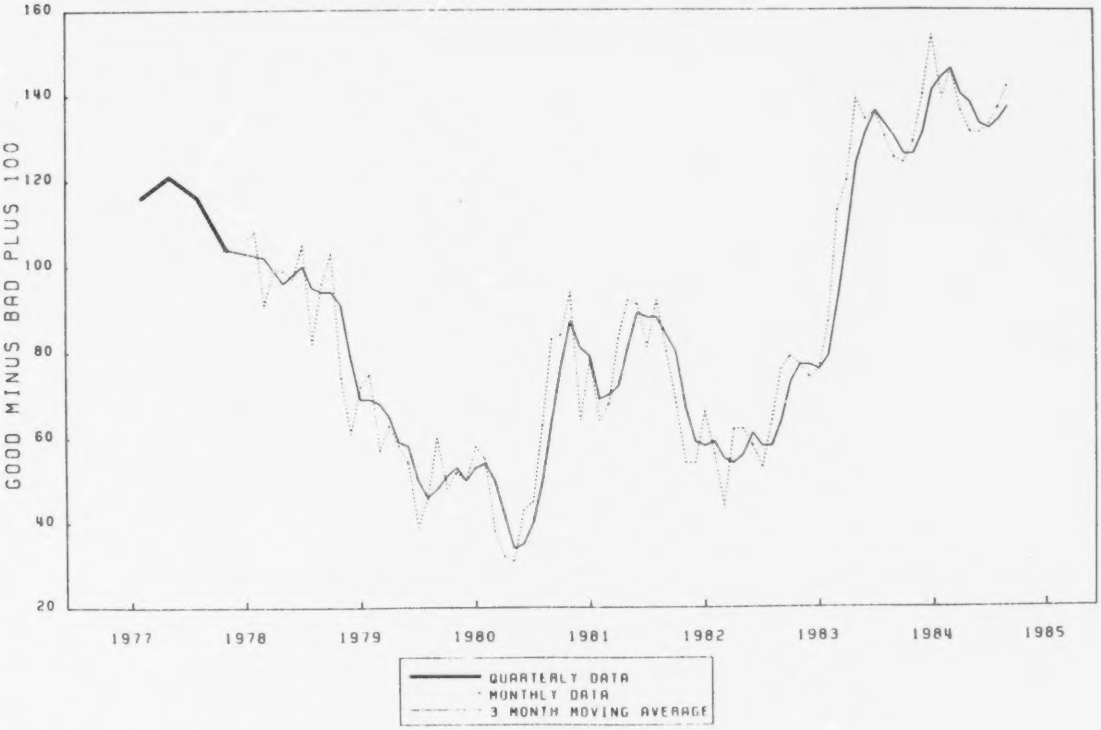
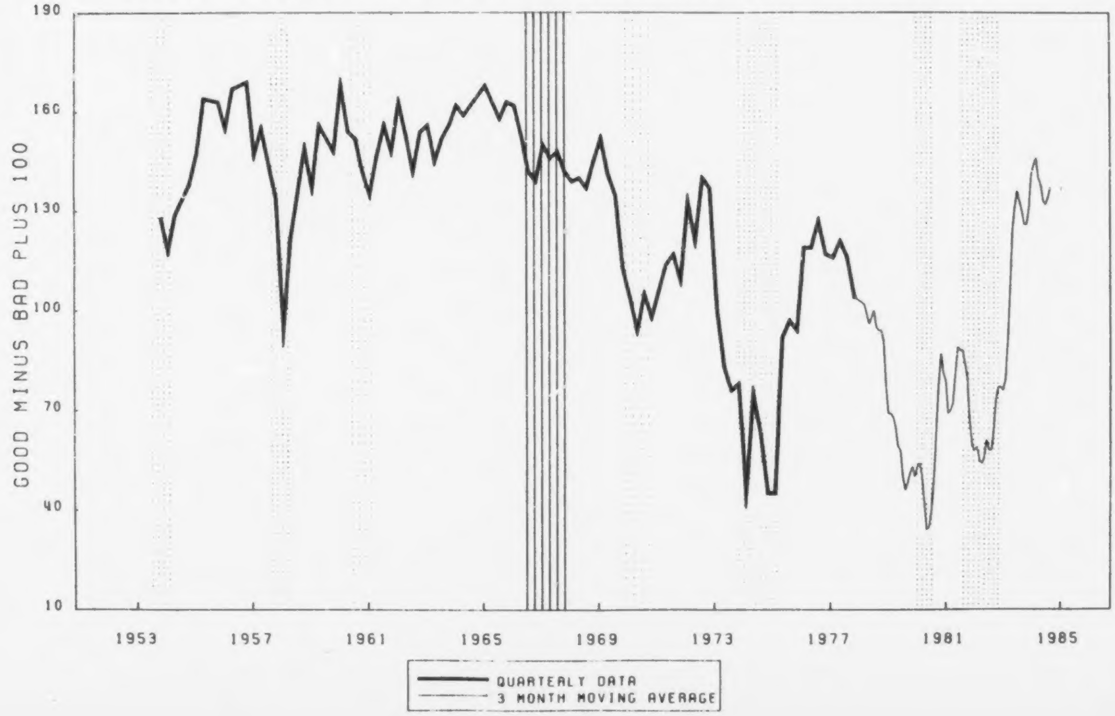


CHART 18 - HISTORICAL SERIES
BUSINESS CONDITIONS EXPECTED DURING THE NEXT TWELVE MONTHS



## TABLE 18

## BUSINESS CONDITIONS EXPECTED DURING THE NEXT 12 MONTHS

| | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 | July 1984 | Aug. 1984 | Sept 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| GOOD TIMES | 58% | 58% | 59% | 67% | 73% | 65% | 69% | 63% | 60% | 60% | 61% | 62% | 66% |
| UNCERTAIN; GOOD & BAD | 2 | 3 | 3 | 2 | 2 | 2 | 2 | 3 | 3 | 2 | 2 | 3 | 3 |
| BAD TIMES | 33 | 34 | 30 | 27 | 19 | 26 | 23 | 27 | 29 | 29 | 28 | 25 | 24 |
| DON'T KNOW | 5 | 4 | 6 | 3 | 5 | 5 | 4 | 5 | 5 | 6 | 6 | 7 | 6 |
| NOT ASCERTAINED | 2 | 1 | 2 | 1 | 1 | 2 | 2 | 2 | 3 | 3 | 3 | 3 | 1 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 | 690 | 680 | 656 | 693 | 690 |

The question was: "Now turning to business conditions in the country as a whole--do you think that during the next 12 months we'll have good times financially, or bad times or what?"

CHART 19 - RECENT CHANGES
BUSINESS CONDITIONS EXPECTED FOR THE NEXT FIVE YEARS

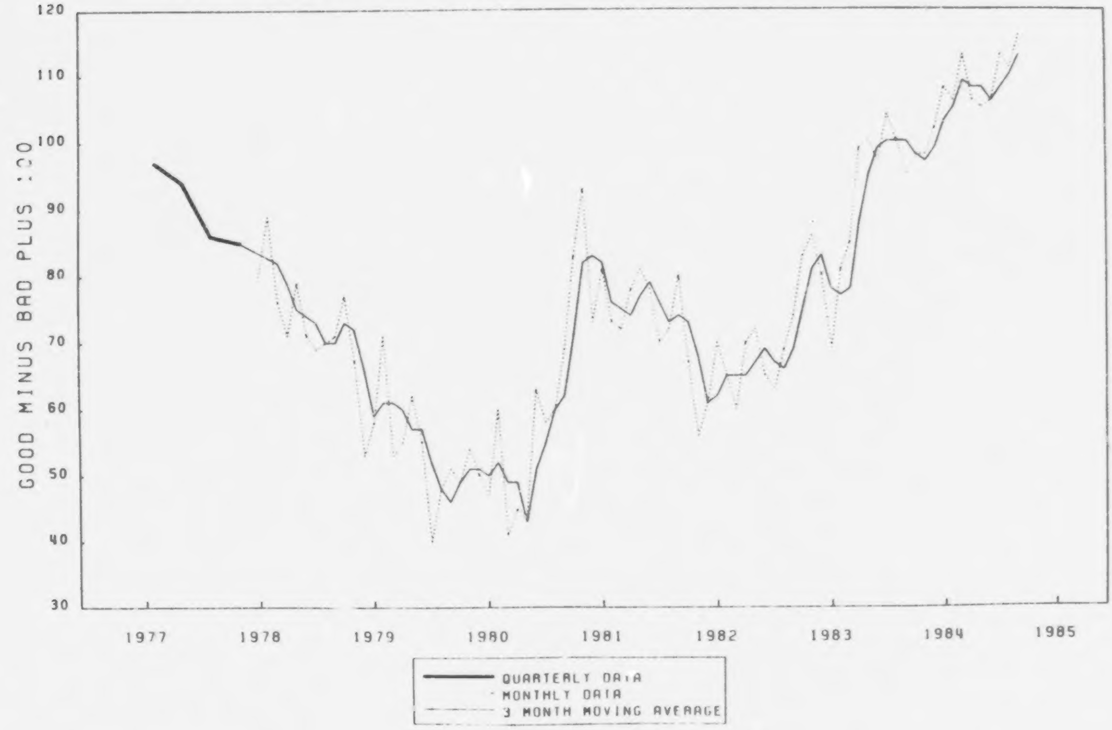
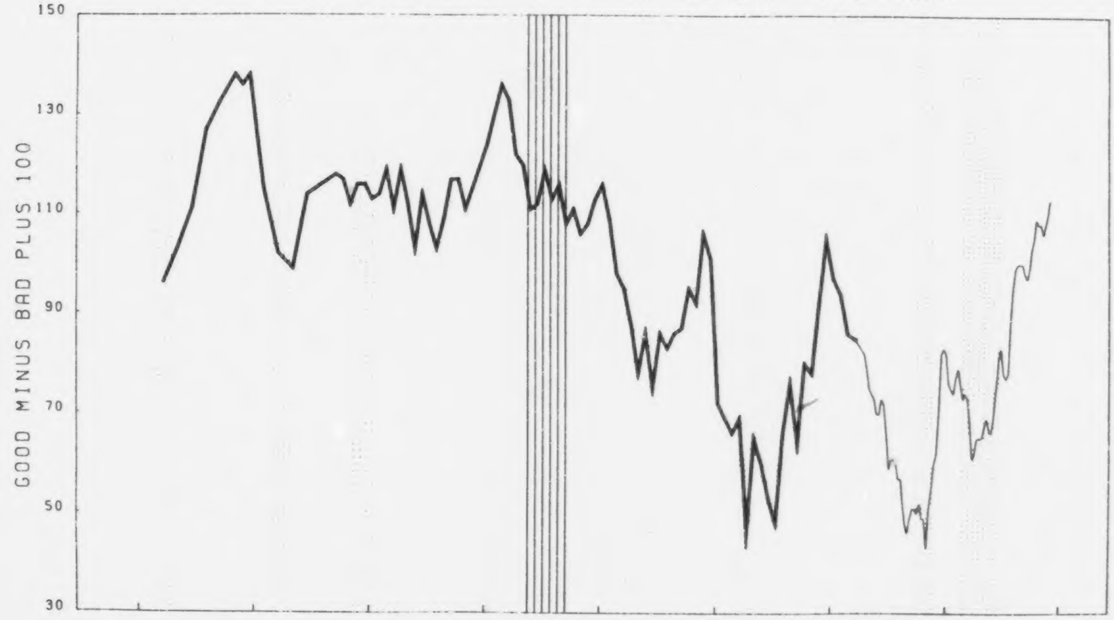


CHART 19 - HISTORICAL SERIES
BUSINESS CONDITIONS EXPECTED FOR THE NEXT FIVE YEARS



## TABLE 19

## BUSINESS CONDITIONS EXPECTED DURING THE NEXT FIVE YEARS

| | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 | July 1984 | Aug. 1984 | Sept 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| GOOD TIMES | 37% | 39% | 39% | 39% | 44% | 42% | 47% | 41% | 43% | 42% | 44% | 47% | 47% |
| UNCERTAIN; GOOD & BAD | 19 | 17 | 15 | 21 | 17 | 16 | 15 | 19 | 15 | 17 | 19 | 13 | 17 |
| BAD TIMES | 42 | 41 | 41 | 37 | 36 | 36 | 34 | 35 | 38 | 36 | 31 | 36 | 31 |
| NOT ASCERTAINED | 2 | 3 | 5 | 3 | 3 | 6 | 4 | 5 | 4 | 5 | 6 | 4 | 5 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 | 690 | 680 | 656 | 693 | 690 |

The question was: "Looking ahead, which would you say is more likely--that in the country as a whole we'll have continuous good times during the next 5 years or so, or that we will have periods of widespread unemployment or depression, or what?"

CHART 20 - RECENT CHANGES
EXPECTED CHANGE IN UNEMPLOYMENT

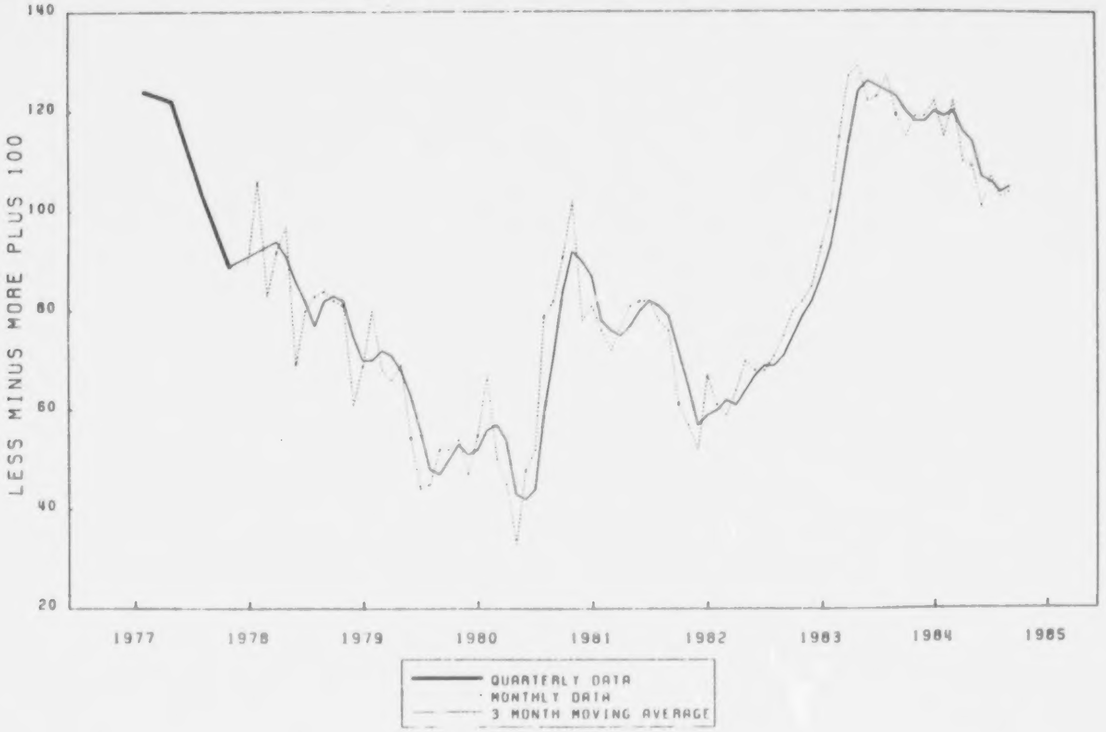
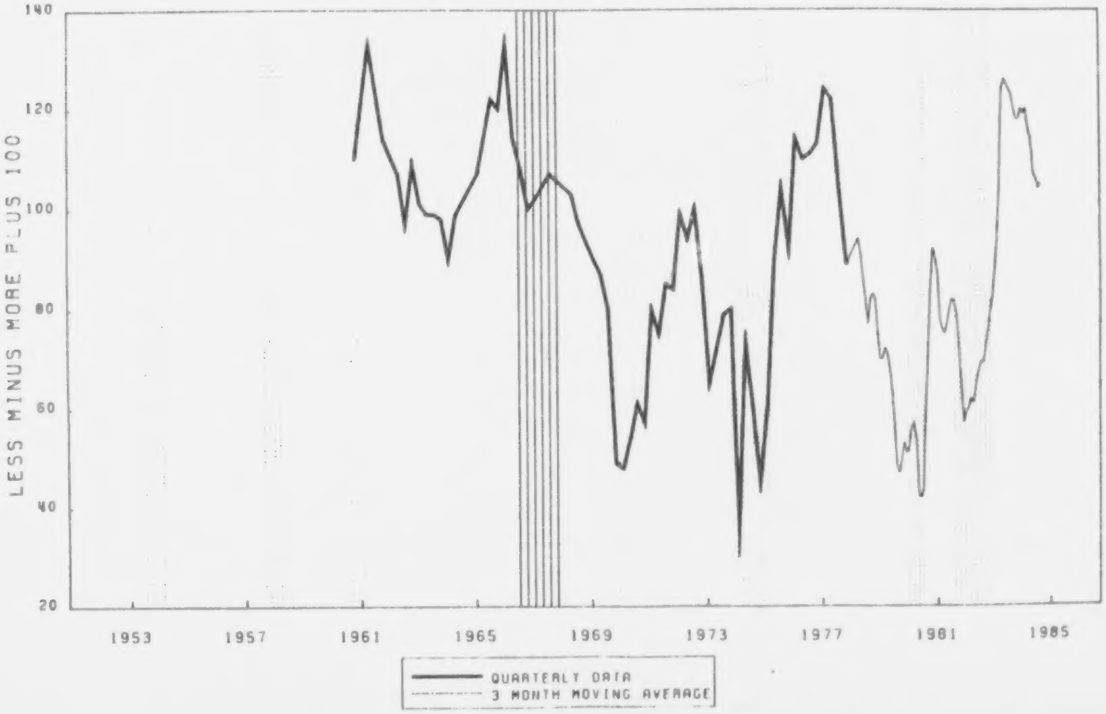


CHART 20 - HISTORICAL SERIES
EXPECTED CHANGE IN UNEMPLOYMENT



# TABLE 20

## EXPECTED CHANGE IN UNEMPLOYMENT

| | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 | July 1984 | Aug. 1984 | Sept 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| LESS | 36% | 35% | 35% | 36% | 36% | 31% | 38% | 28% | 29% | 24% | 26% | 24% | 26% |
| SAME | 46 | 44 | 47 | 45 | 48 | 50 | 45 | 52 | 51 | 52 | 53 | 54 | 50 |
| MORE | 17 | 20 | 16 | 17 | 14 | 16 | 16 | 18 | 20 | 23 | 19 | 21 | 22 |
| DK,NA | 1 | 1 | 2 | 2 | 2 | 3 | 1 | 2 | * | 1 | 2 | 1 | 2 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 | 690 | 680 | 656 | 693 | 690 |

The question was: "How about people out of work during the coming 12 months--do you think that there will be more unemployment than now, about the same, or less?"

* : Less than half of one percent.

CHART 21 - RECENT CHANGES
EXPECTED CHANGE IN INTEREST RATES

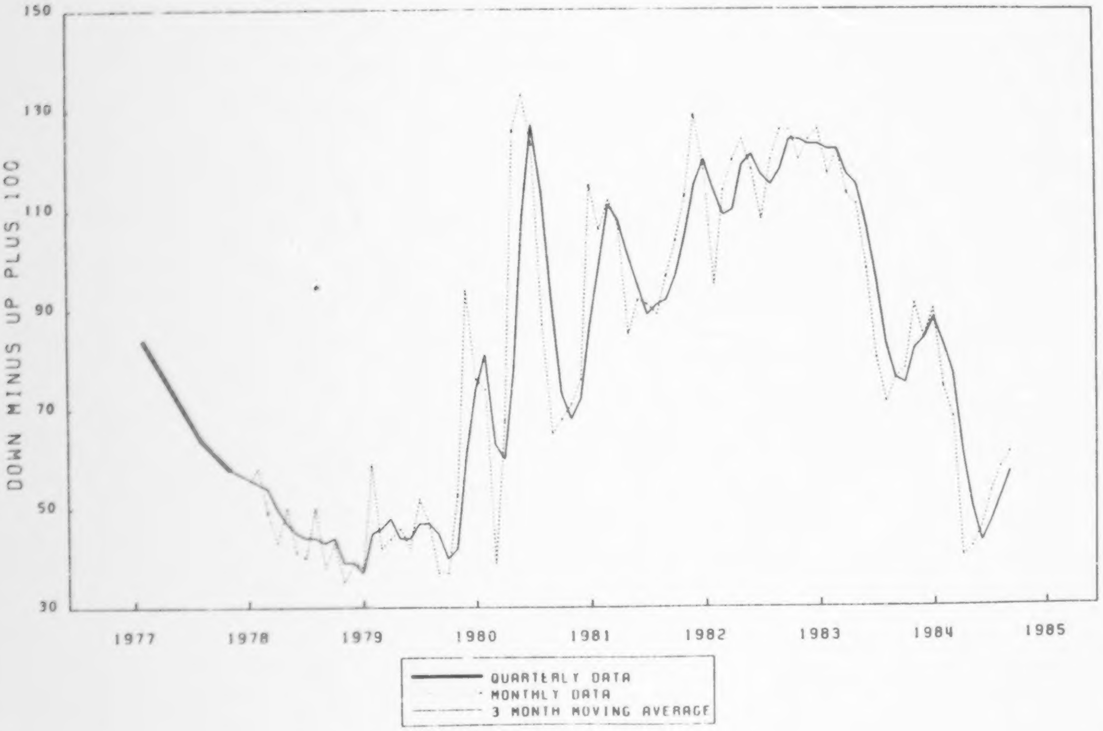
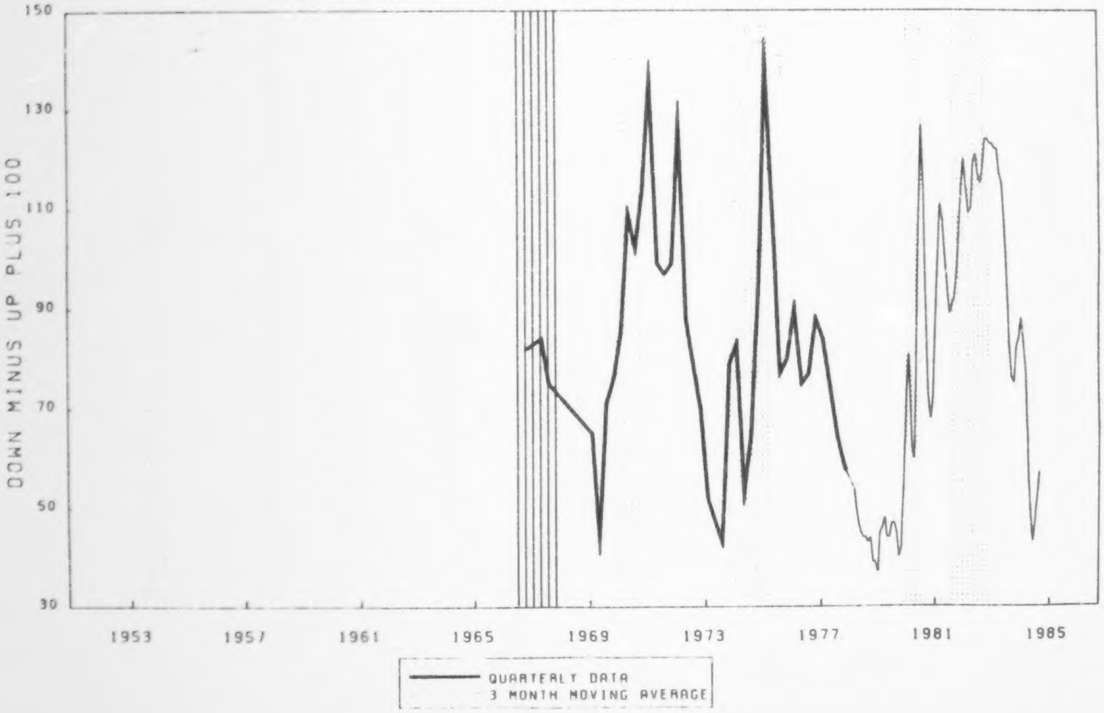


CHART 21 - HISTORICAL SERIES
EXPECTED CHANGE IN INTEREST RATES



## TABLE 21

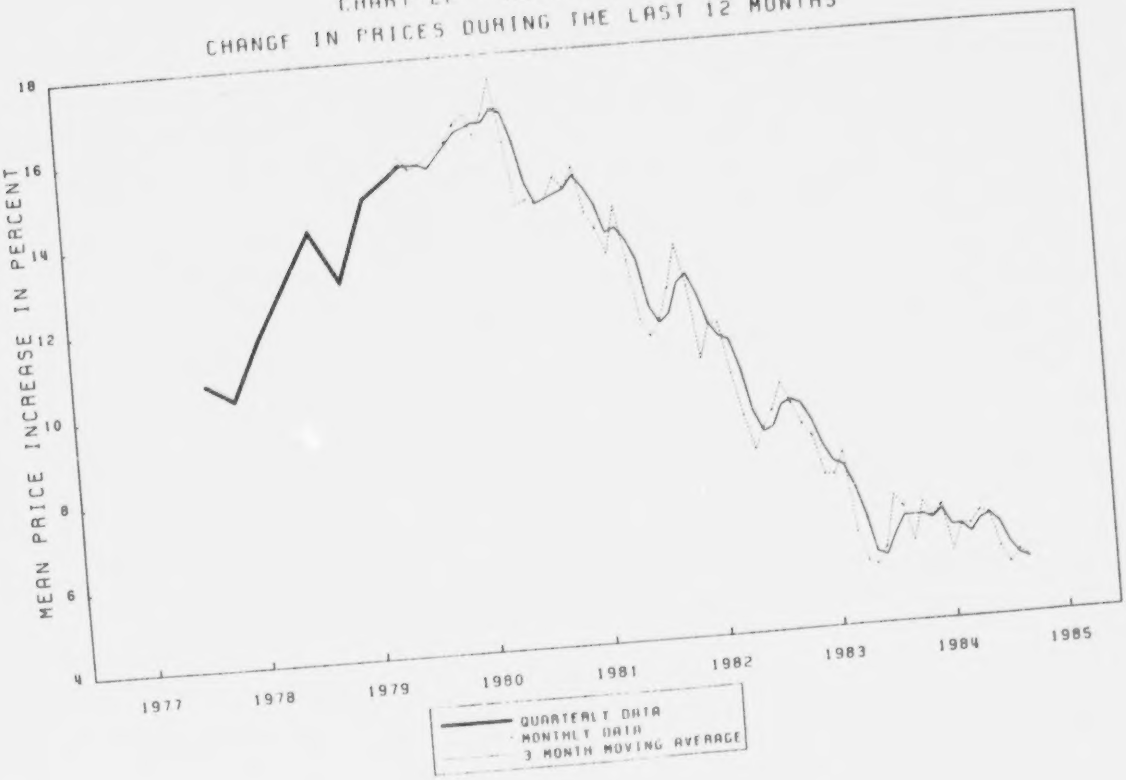
## EXPECTED CHANGE IN INTEREST RATES

| | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 | July 1984 | Aug. 1984 | Sept 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| GO UP | 44% | 43% | 33% | 37% | 32% | 42% | 45% | 68% | 66% | 64% | 58% | 55% | 52% |
| STAY THE SAME | 33 | 33 | 40 | 37 | 43 | 38 | 37 | 21 | 25 | 24 | 27 | 29 | 32 |
| GO DOWN | 20 | 21 | 24 | 21 | 22 | 16 | 13 | 8 | 8 | 10 | 11 | 13 | 13 |
| DK,NA | 3 | 3 | 3 | 5 | 3 | 4 | 5 | 3 | 1 | 2 | 4 | 3 | 3 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 | 690 | 680 | 656 | 693 | 690 |

The question was: "No one can say for sure, but what do you think will happen to interest rates for borrowing money during the next 12 months--will they go up, stay the same, or go down?"

CHART 22 - RECENT CHANGES

CHANGE IN PRICES DURING THE LAST 12 MONTHS



## TABLE 22

## CHANGE IN PRICES DURING THE LAST 12 MONTHS

| | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 | July 1984 | Aug. 1984 | Sept 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| SAME OR DOWN | 25% | 21% | 24% | 24% | 23% | 23% | 23% | 22% | 23% | 22% | 27% | 29% | 29% |
| GONE UP BY: | | | | | | | | | | | | | |
| 1-2% | 11 | 8 | 9 | 8 | 12 | 9 | 8 | 10 | 10 | 12 | 8 | 10 | 9 |
| 3-4% | 13 | 14 | 13 | 15 | 16 | 14 | 16 | 14 | 14 | 17 | 17 | 12 | 16 |
| 5% | 15 | 16 | 15 | 15 | 17 | 17 | 15 | 17 | 17 | 16 | 16 | 18 | 16 |
| 6-9% | 7 | 11 | 8 | 8 | 8 | 9 | 10 | 11 | 9 | 8 | 8 | 8 | 7 |
| 10-14% | 12 | 14 | 14 | 11 | 9 | 14 | 12 | 9 | 13 | 12 | 11 | 11 | 9 |
| 15% or more | 9 | 11 | 9 | 10 | 7 | 9 | 9 | 12 | 10 | 8 | 8 | 7 | 8 |
| DK how much up | 7 | 4 | 7 | 8 | 7 | 5 | 7 | 5 | 4 | 5 | 4 | 5 | 6 |
| DK,NA | 1 | 1 | 1 | 1 | 1 | * | * | * | * | * | 1 | * | * |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| MEAN INCREASE | 5.9 | 6.8 | 6.4 | 6.7 | 5.6 | 6.2 | 6.2 | 6.5 | 6.4 | 5.6 | 5.2 | 5.5 | 5.3 |
| VARIANCE | 71 | 81 | 76 | 90 | 69 | 68 | 72 | 75 | 78 | 54 | 48 | 75 | 63 |
| CASES | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 | 690 | 680 | 656 | 693 | 690 |

The questions were: "During the last 12 months, have prices of the things you buy remained unchanged, or have they gone up, or have they gone down?" and "By about what percent do you think prices have gone up,on the average, during the last 12 months?"

* : Less than half of one percent.

CHART 23 - RECENT CHANGES

MEAN EXPECTED PRICE INCREASE OVER THE NEXT 12 MONTHS

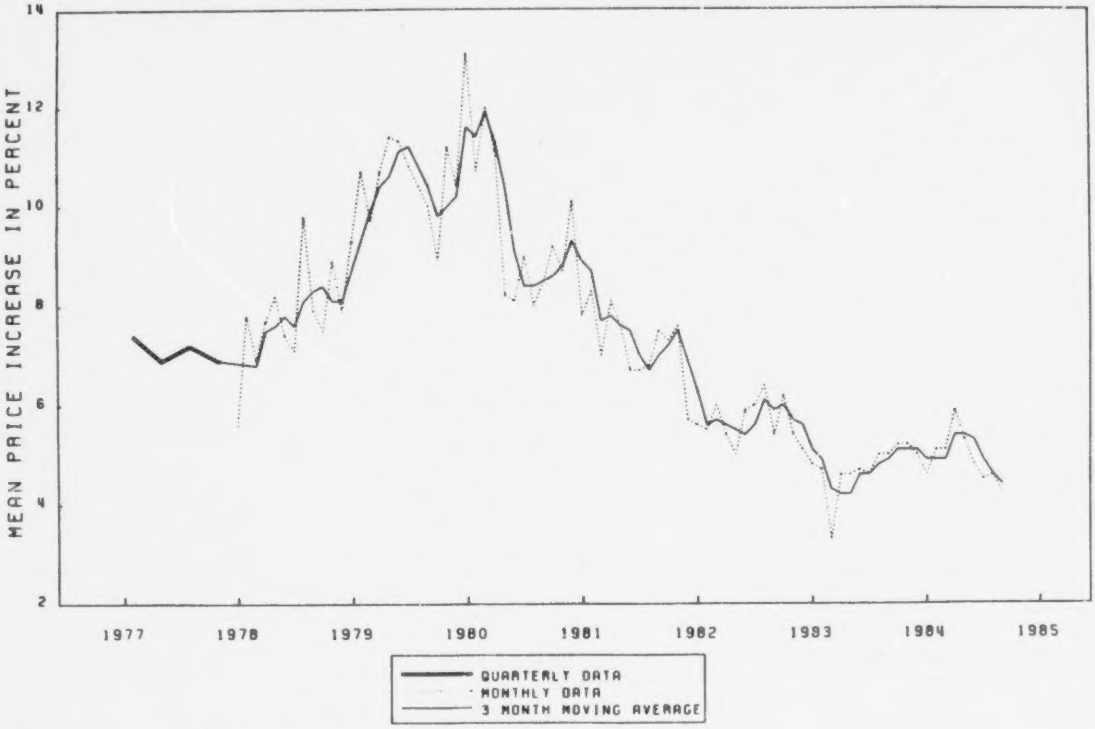
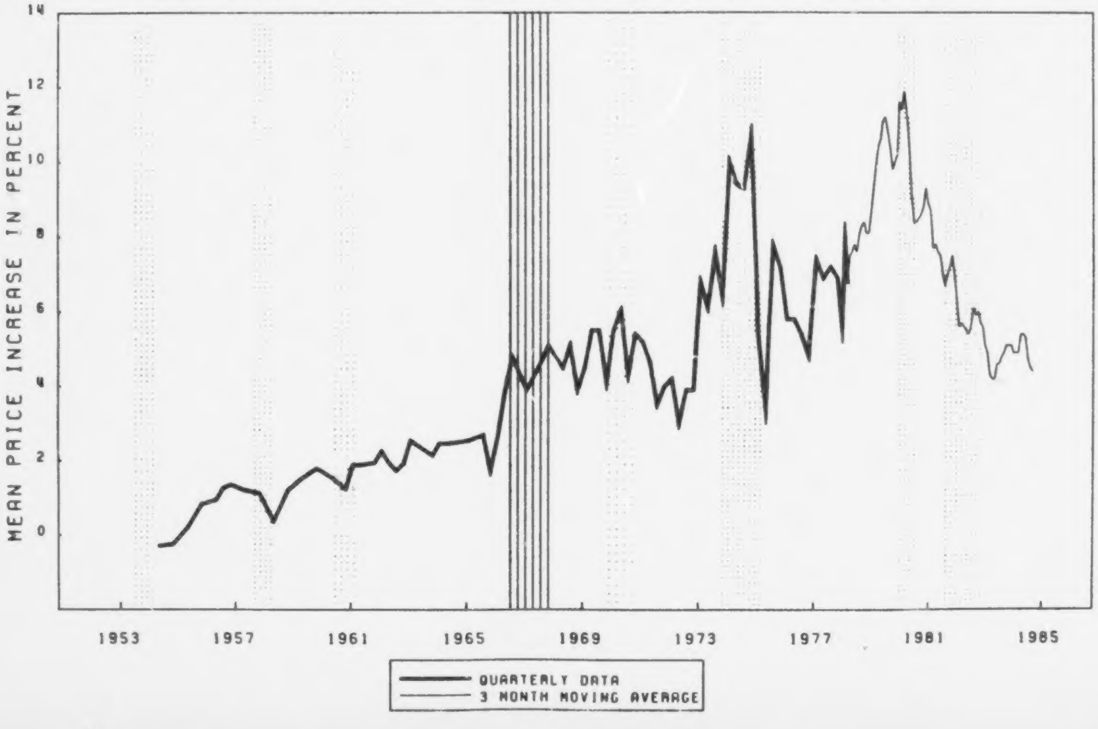


CHART 23 - HISTORICAL SERIES

MEAN EXPECTED PRICE INCREASE OVER THE NEXT 12 MONTHS



## TABLE 23

## EXPECTED CHANGE IN PRICES DURING THE NEXT 12 MONTHS

| | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 | July 1984 | Aug. 1984 | Sept 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| SAME OR DOWN | 28% | 24% | 25% | 23% | 25% | 23% | 24% | 19% | 19% | 19% | 23% | 24% | 24% |
| WILL GO UP BY: | | | | | | | | | | | | | |
| 1-2% | 13 | 12 | 12 | 12 | 13 | 14 | 14 | 13 | 15 | 14 | 13 | 18 | 16 |
| 3-4% | 14 | 15 | 14 | 15 | 20 | 19 | 16 | 17 | 15 | 16 | 17 | 15 | 19 |
| 5% | 16 | 15 | 16 | 17 | 13 | 19 | 15 | 15 | 20 | 18 | 20 | 18 | 14 |
| 6-9% | 7 | 10 | 9 | 8 | 9 | 6 | 10 | 12 | 11 | 11 | 8 | 6 | 8 |
| 10-14% | 10 | 11 | 11 | 11 | 10 | 8 | 11 | 11 | 9 | 13 | 8 | 8 | 8 |
| 15% or more | 7 | 8 | 6 | 5 | 4 | 6 | 5 | 8 | 6 | 4 | 5 | 5 | 4 |
| DK how much up | 4 | 4 | 5 | 7 | 4 | 4 | 4 | 3 | 4 | 4 | 3 | 5 | 4 |
| DK,NA | 1 | 1 | 2 | 2 | 2 | 1 | 1 | 2 | 1 | 1 | 3 | 1 | 3 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| MEAN INCREASE | 5.0 | 5.2 | 5.2 | 5.0 | 4.6 | 5.1 | 5.1 | 5.9 | 5.3 | 4.8 | 4.5 | 4.6 | 4.2 |
| VARIANCE | 51 | 36 | 54 | 44 | 40 | 51 | 55 | 57 | 49 | 27 | 33 | 46 | 36 |
| CASES | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 | 690 | 680 | 656 | 693 | 690 |

The questions were: "During the next 12 months, do you think that prices in general will go up, or go down, or stay where they are now?" and "By about what percent do you expect prices to go up, on the average, during the next 12 months?"

CHART 24 RECENT CHANGES
UNEMPLOYMENT OR INFLATION MORE SERIOUS

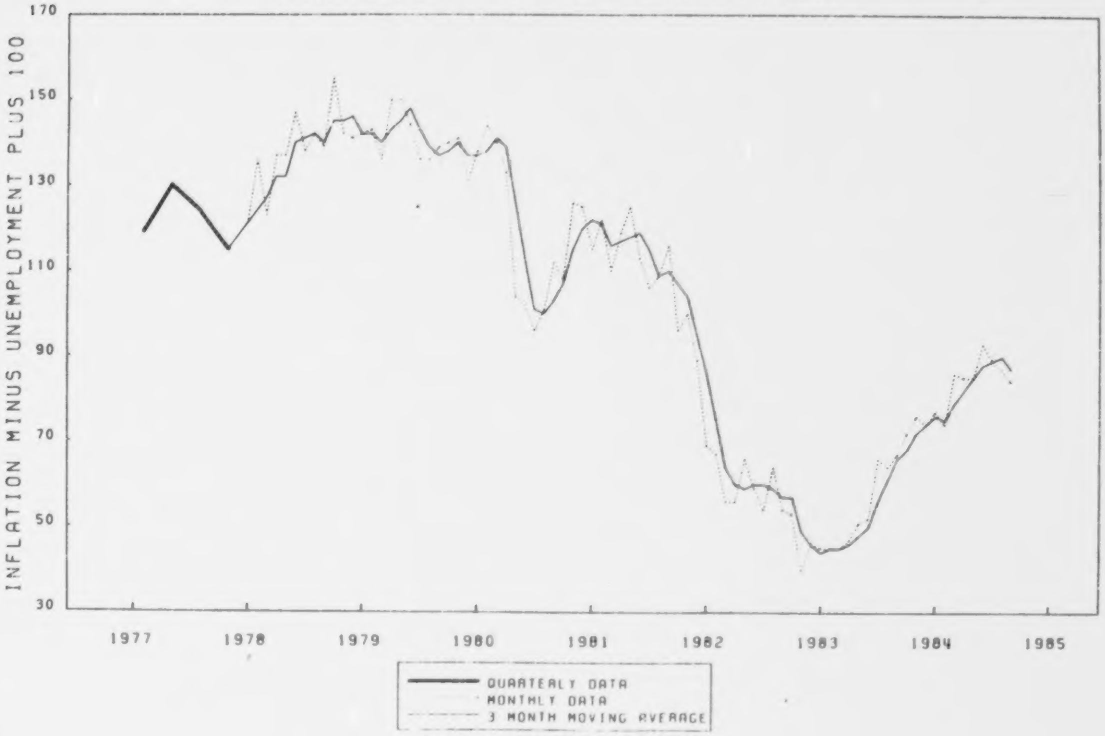
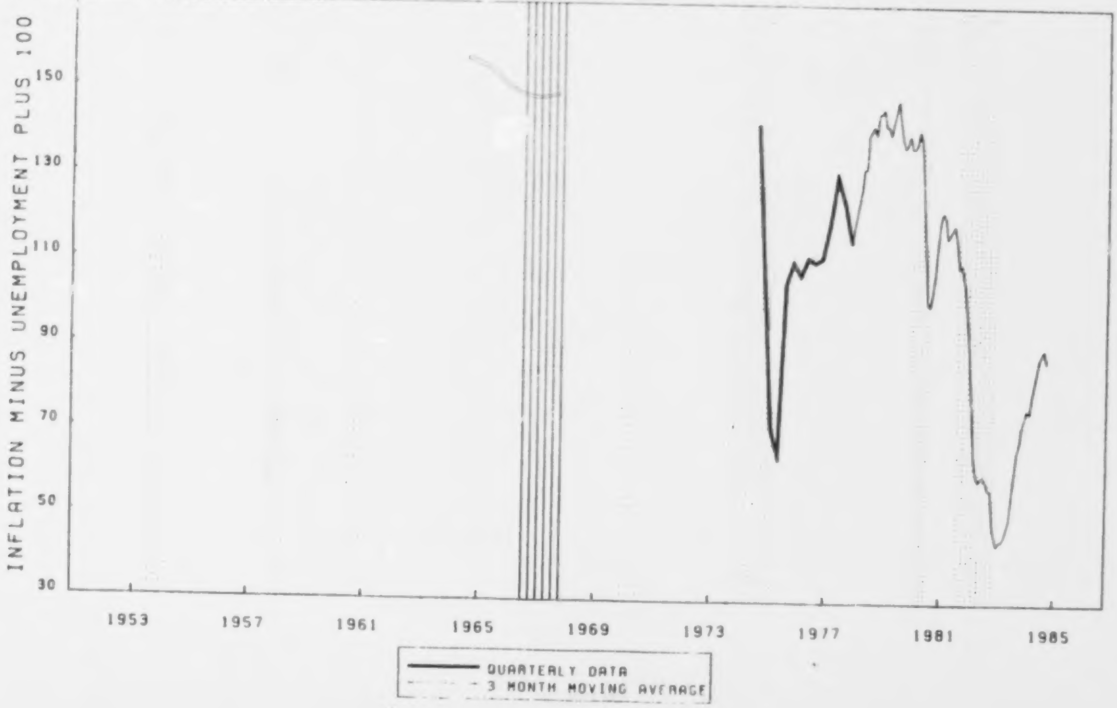


CHART 24 - HISTORICAL SERIES
UNEMPLOYMENT OR INFLATION MORE SERIOUS



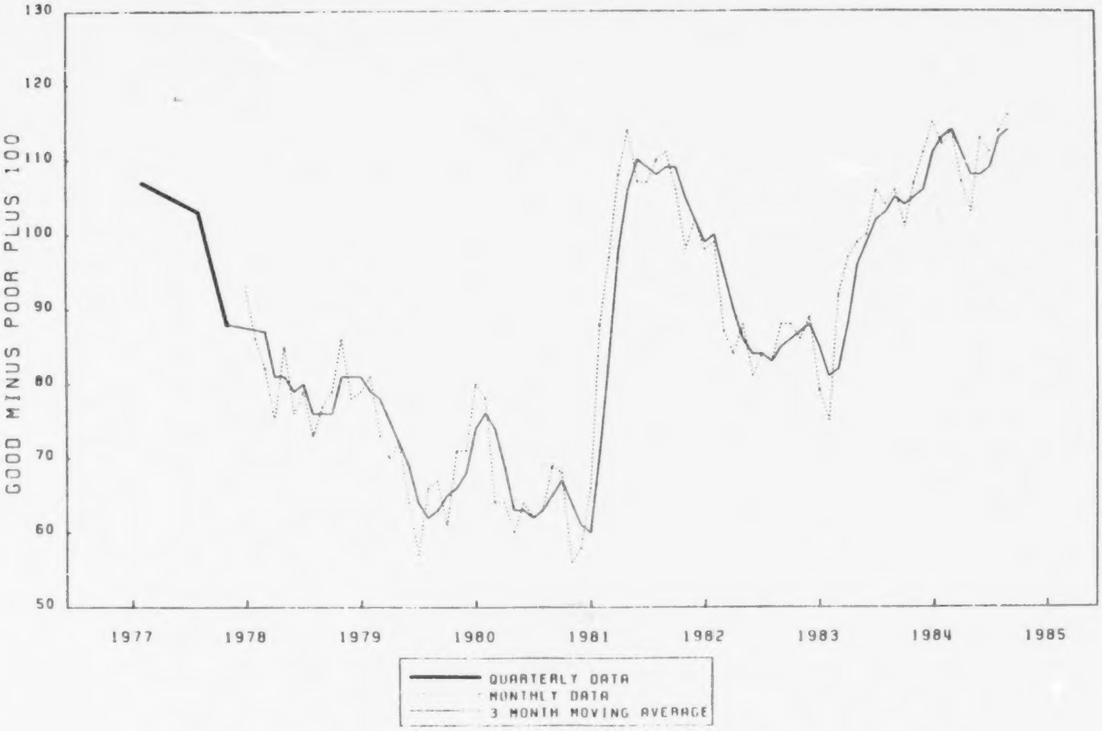
## TABLE 24

## UNEMPLOYMENT OR INFLATION MORE SERIOUS ECONOMIC HARDSHIP

| | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 | July 1984 | Aug. 1984 | Sept 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| UNEMPLOYMENT | 62% | 61% | 57% | 59% | 58% | 59% | 52% | 53% | 54% | 51% | 51% | 52% | 54% |
| BOTH EQUALLY SERIOUS | 8 | 5 | 7 | 6 | 4 | 5 | 7 | 7 | 6 | 3 | 7 | 6 | 5 |
| INFLATION | 29 | 33 | 33 | 33 | 35 | 33 | 38 | 38 | 39 | 44 | 40 | 39 | 38 |
| DK,NA | 1 | 1 | 3 | 2 | 3 | 3 | 3 | 2 | 1 | 2 | 2 | 3 | 3 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 | 690 | 680 | 656 | 693 | 690 |

The question was: "Which of the two problems--unemployment or inflation--do you think will cause the more serious economic hardship for people during the next year or so?"

## CHART 25 RECENT CHANGES
## OPINIONS ABOUT THE GOVERNMENT'S ECONOMIC POLICY



## CHART 25 - HISTORICAL SERIES
## OPINIONS ABOUT THE GOVERNMENT'S ECONOMIC POLICY

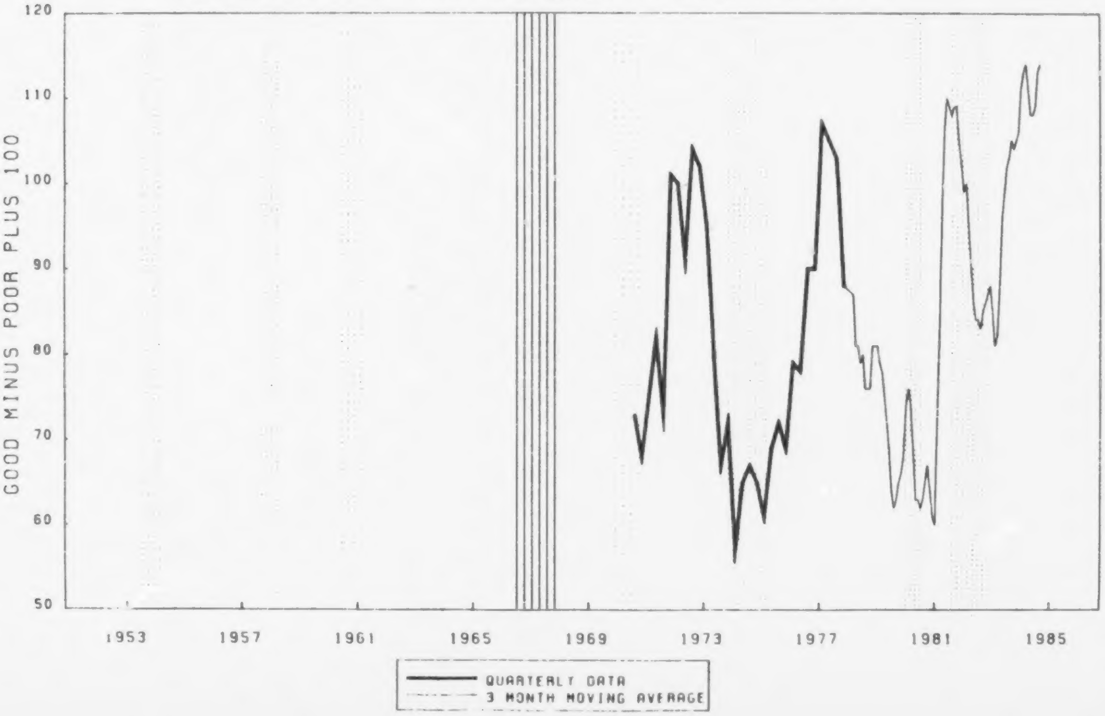


TABLE 25

OPINIONS ABOUT THE GOVERNMENT'S ECONOMIC POLICY

| | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 | July 1984 | Aug. 1984 | Sept 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| A GOOD JOB | 27% | 25% | 27% | 29% | 31% | 32% | 33% | 27% | 25% | 31% | 30% | 33% | 35% |
| ONLY FAIR | 50 | 50 | 49 | 51 | 52 | 45 | 47 | 50 | 52 | 49 | 48 | 46 | 44 |
| A POOR JOB | 21 | 24 | 20 | 18 | 16 | 20 | 19 | 20 | 22 | 18 | 19 | 19 | 19 |
| DK,NA | 2 | 1 | 4 | 2 | 1 | 3 | 1 | 3 | 1 | 2 | 3 | 2 | 2 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 | 690 | 680 | 656 | 693 | 690 |

The question was: "As to the economic policy of the government--I mean steps taken to fight inflation or unemployment--would you say the government is doing a good job, only fair, or a poor job?"

CHART 26 · RECENT CHANGES
BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS

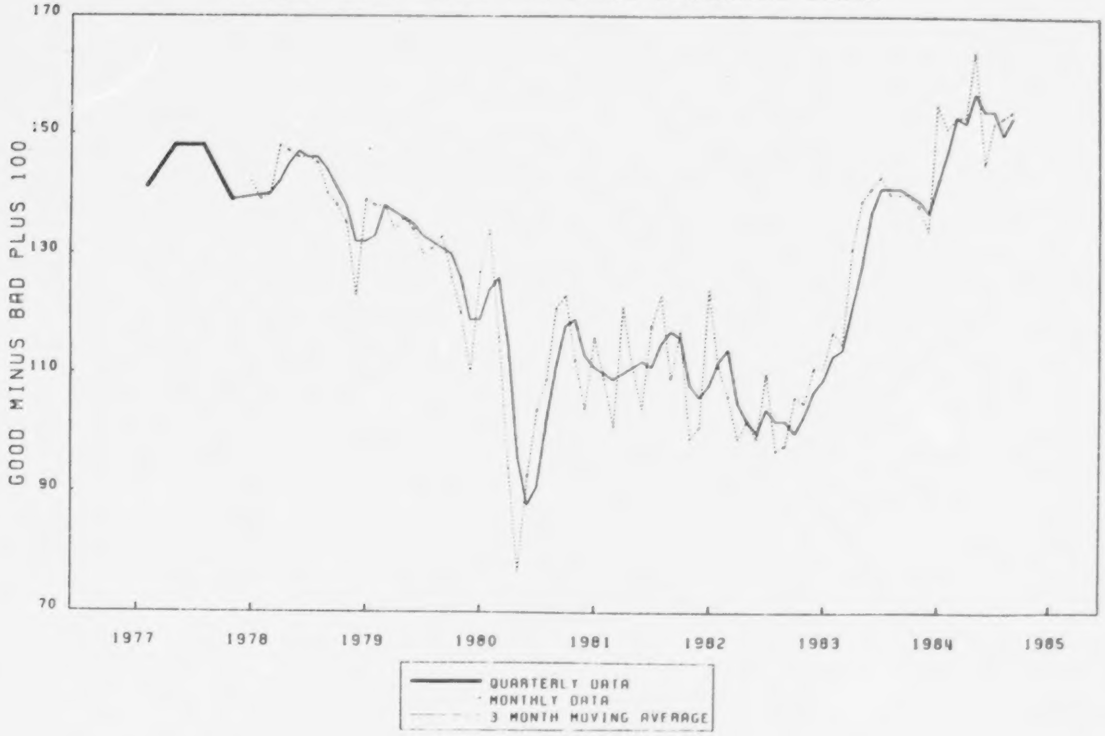
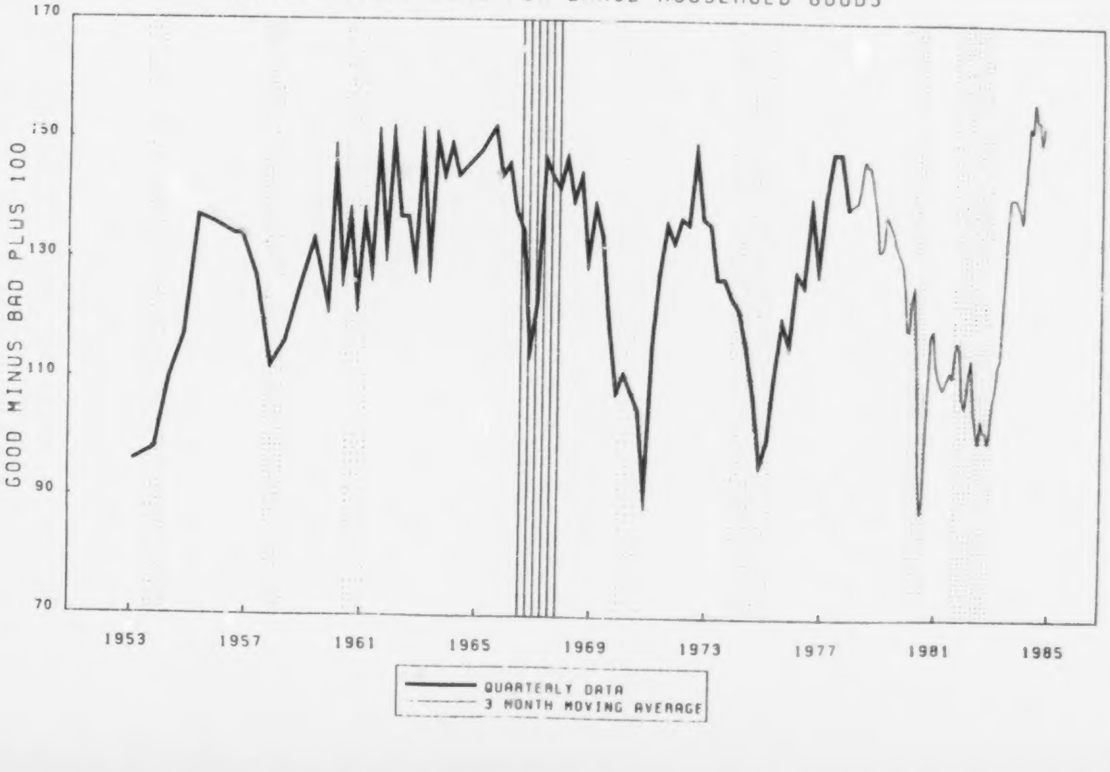


CHART 26 · HISTORICAL SERIES
BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS



## TABLE 26

## BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS

| | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 | July 1984 | Aug. 1984 | Sept 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| GOOD TIME TO BUY | 66% | 65% | 64% | 61% | 73% | 70% | 72% | 72% | 77% | 67% | 71% | 72% | 72% |
| UNCERTAIN, DEPENDS | 8 | 10 | 10 | 12 | 9 | 11 | 9 | 9 | 10 | 11 | 10 | 9 | 10 |
| BAD TIME TO BUY | 26 | 25 | 26 | 27 | 18 | 19 | 19 | 19 | 13 | 22 | 19 | 19 | 18 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 | 690 | 680 | 656 | 693 | 690 |

The question was: "About the big things people buy for their homes--such as furniture, a refrigerator, stove, television, and things like that. Generally speaking, do you think now is a good or a bad time for people to buy major household items?"

CHART 27A - HISTORICAL SERIES

REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR DURABLES

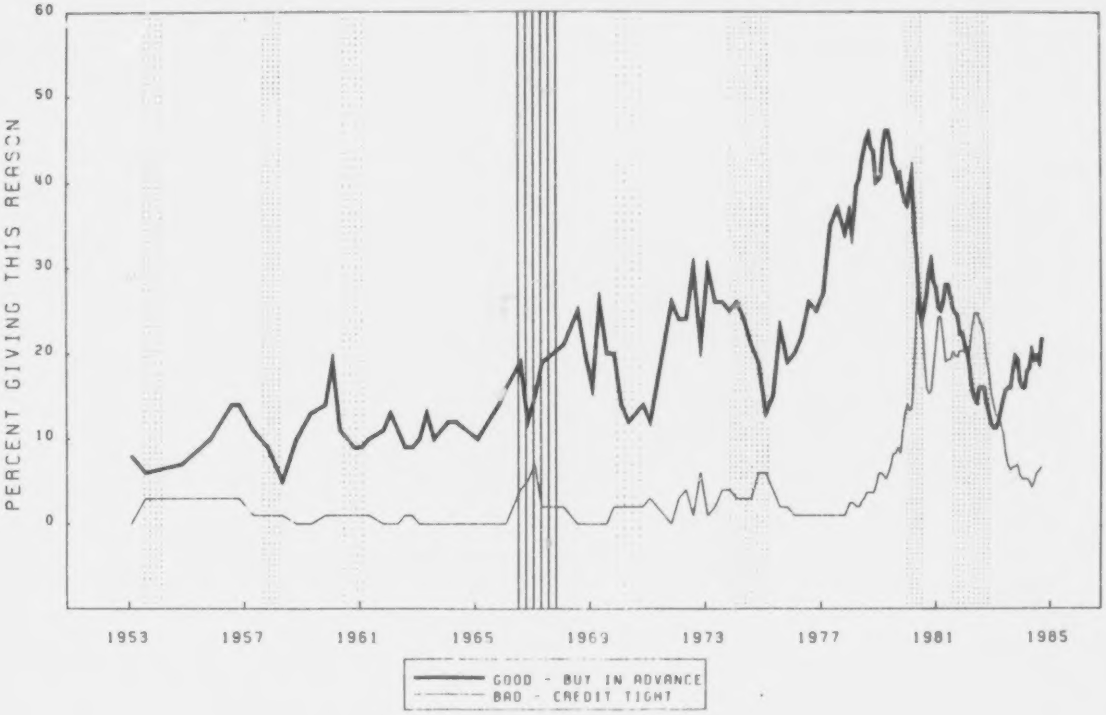
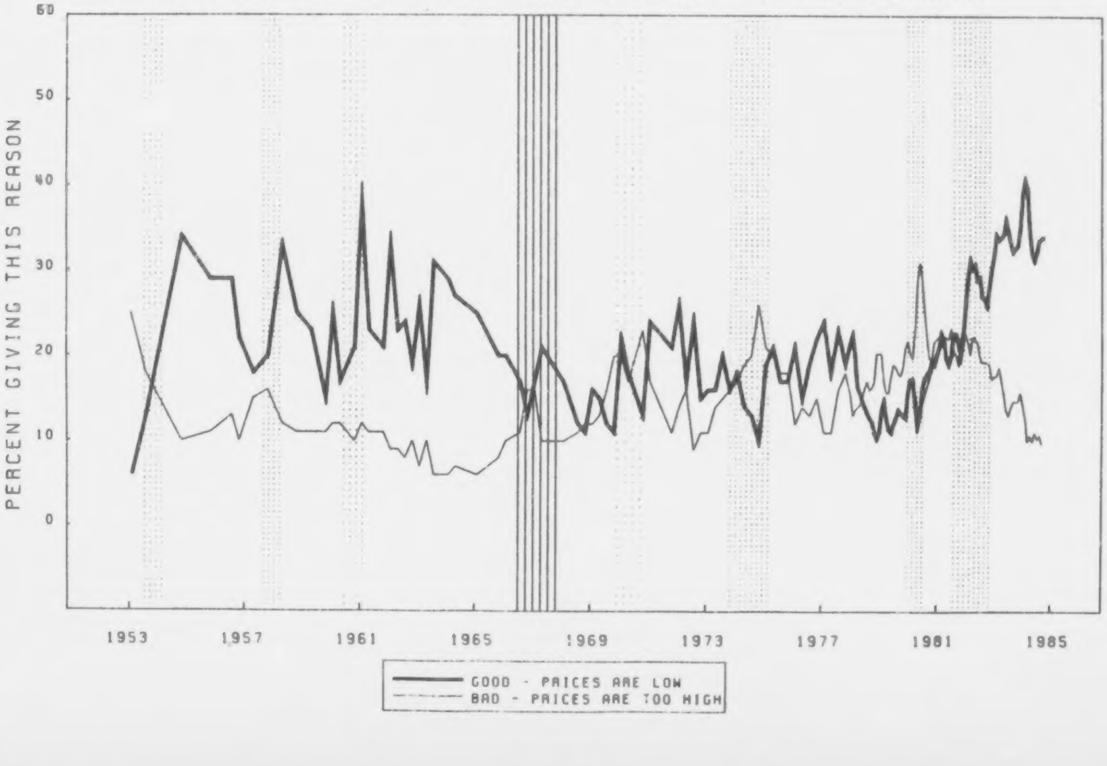


CHART 27B - HISTORICAL SERIES

REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR DURABLES



## TABLE 27

## SELECTED REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS +

| | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 | July 1984 | Aug. 1984 | Sept 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| GOOD TIME TO BUY: | | | | | | | | | | | | | |
| Prices are low; good buys available | 32% | 33% | 34% | 38% | 45% | 39% | 35% | 30% | 31% | 33% | 33% | 35% | 34% |
| Prices won't come down; are going higher | 21 | 21 | 16 | 13 | 19 | 16 | 19 | 20 | 22 | 16 | 21 | 20 | 24 |
| Interest rates low; credit is easy | 12 | 7 | 8 | 7 | 9 | 11 | 10 | 14 | 11 | 11 | 10 | 8 | 8 |
| BAD TIME TO BUY: | | | | | | | | | | | | | |
| Prices are high | 15 | 14 | 15 | 18 | 10 | 10 | 10 | 12 | 8 | 13 | 10 | 9 | 10 |
| Interest rates are high; credit is tight | 7 | 7 | 7 | 3 | 6 | 7 | 3 | 5 | 5 | 5 | 8 | 6 | 6 |
| Lack of purchasing power | 11 | 12 | 8 | 10 | 7 | 7 | 9 | 6 | 5 | 7 | 5 | 7 | 7 |

Responses to the query: "Why do you say so?" following the question on Table 26.

+ : May add to more than 100% due to multiple mentions.

CHART 28 RECENT CHANGES
BUYING CONDITIONS FOR HOUSES

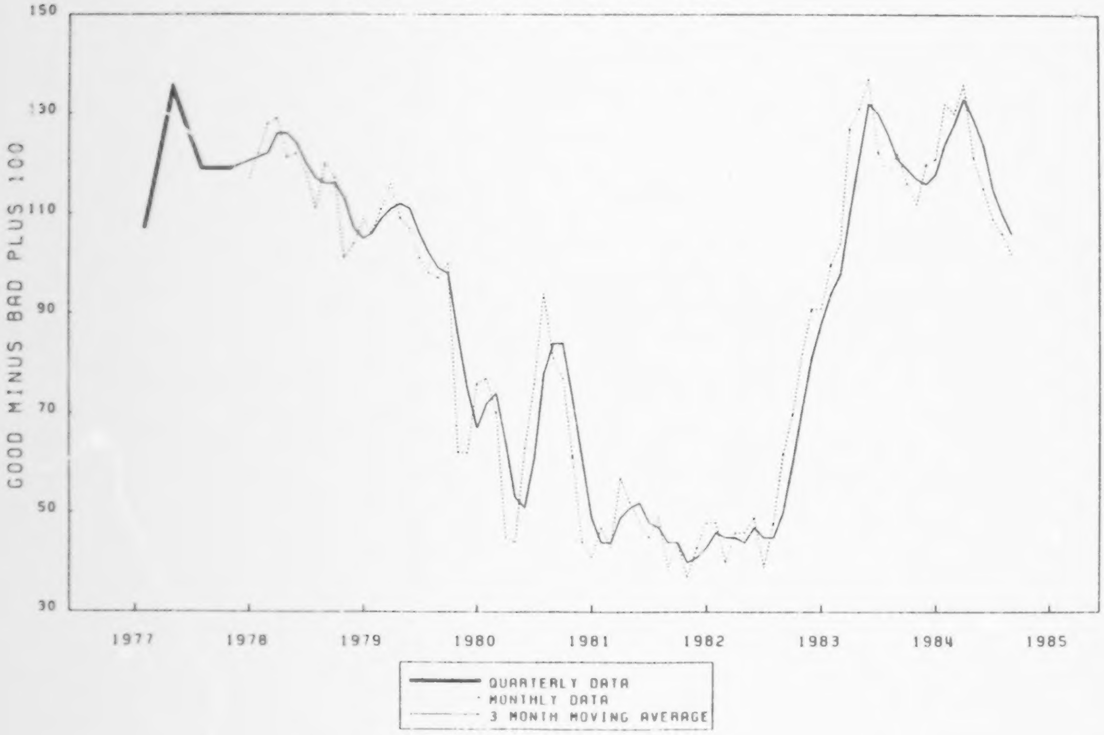
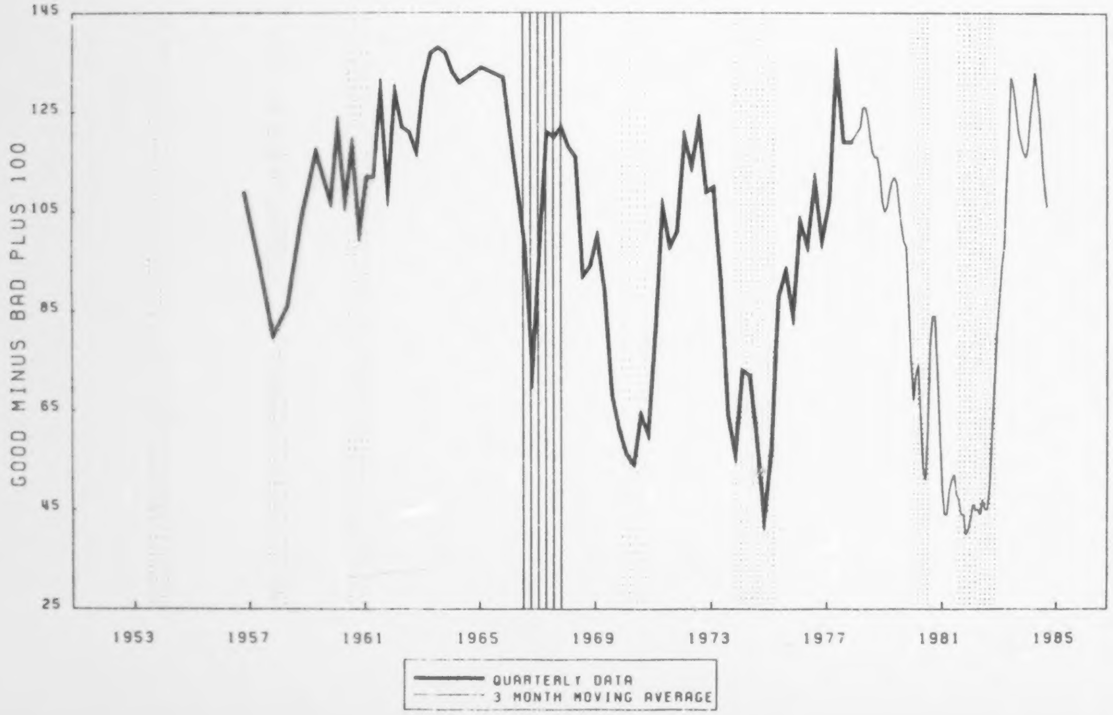


CHART 28 - HISTORICAL SERIES
BUYING CONDITIONS FOR HOUSES



## TABLE 28

## BUYING CONDITIONS FOR HOUSES

|  | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 | July 1984 | Aug. 1984 | Sept 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| GOOD TIME TO BUY | 59% | 55% | 53% | 57% | 59% | 63% | 62% | 66% | 58% | 55% | 52% | 50% | 48% |
| UNCERTAIN, DEPENDS | 4 | 6 | 6 | 6 | 3 | 6 | 6 | 4 | 5 | 5 | 5 | 6 | 6 |
| BAD TIME TO BUY | 37 | 39 | 41 | 37 | 38 | 31 | 32 | 30 | 37 | 40 | 43 | 44 | 46 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 | 690 | 680 | 656 | 693 | 690 |

The question was: "Generally speaking, do you think now is a good time or a bad time to buy a house?"

CHART 29A - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR HOUSES

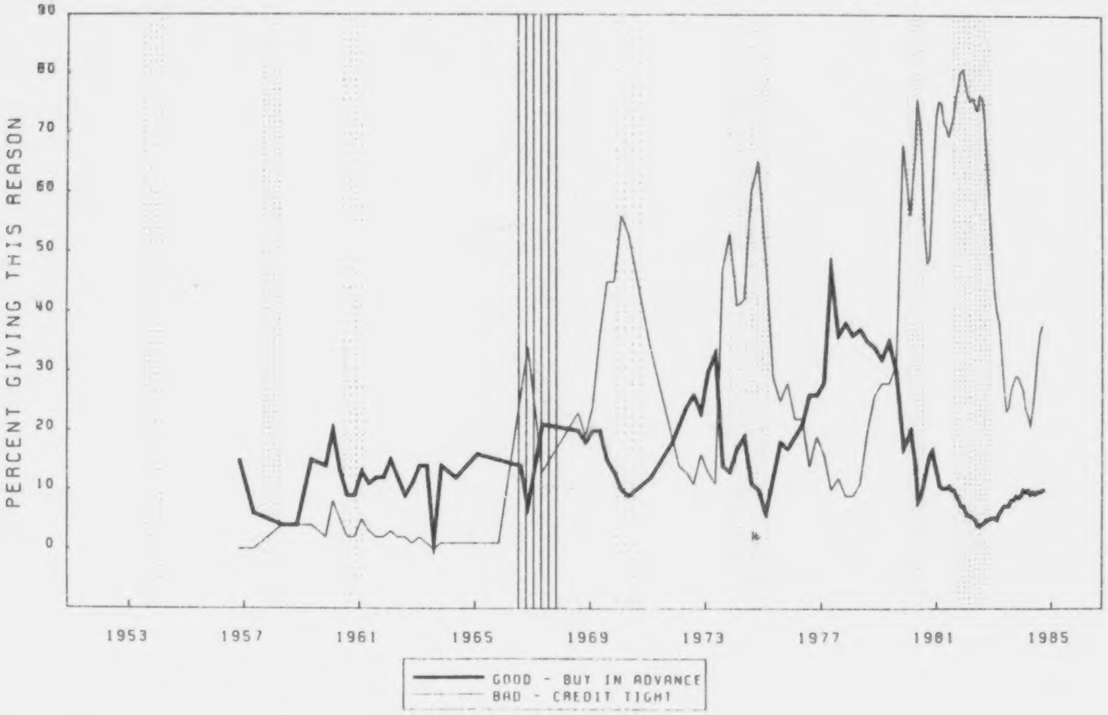
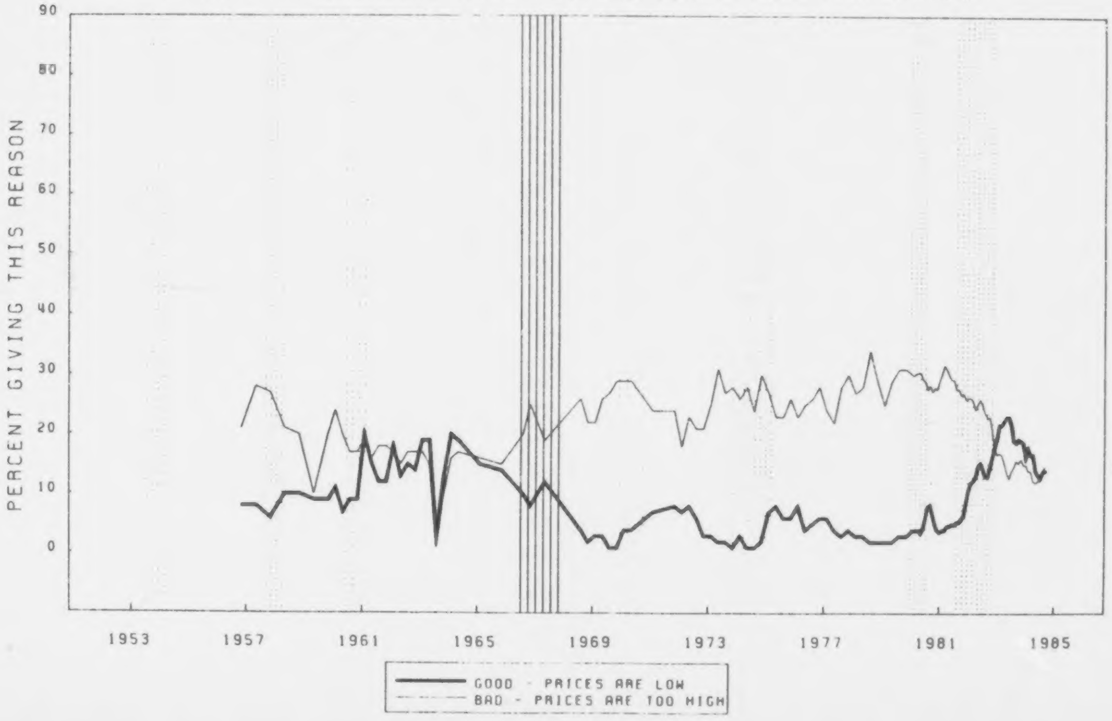


CHART 29B - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR HOUSES



## TABLE 29

## SELECTED REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR HOUSES +

| | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 | July 1984 | Aug. 1984 | Sept 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| GOOD TIME TO BUY: | | | | | | | | | | | | | |
| Prices are low; good buys available | 19% | 22% | 16% | 18% | 15% | 20% | 15% | 15% | 12% | 13% | 13% | 15% | 14% |
| Prices won't come down; are going higher | 8 | 9 | 9 | 9 | 12 | 8 | 10 | 10 | 9 | 9 | 11 | 9 | 10 |
| Interest rates low; credit is easy | 47 | 38 | 40 | 41 | 41 | 50 | 49 | 52 | 44 | 38 | 37 | 35 | 34 |
| Good investment | 6 | 8 | 5 | 6 | 8 | 6 | 8 | 6 | 5 | 8 | 5 | 4 | 7 |
| BAD TIME TO BUY: | | | | | | | | | | | | | |
| Prices are high | 16 | 16 | 16 | 13 | 16 | 13 | 13 | 11 | 12 | 14 | 12 | 16 | 16 |
| Interest rates are high; credit is tight | 28 | 29 | 30 | 25 | 26 | 20 | 22 | 20 | 29 | 33 | 36 | 40 | 37 |
| Lack of purchasing power | 14 | 15 | 16 | 13 | 12 | 10 | 11 | 10 | 12 | 10 | 11 | 11 | 11 |

Responses to the query: "Why do you say so?" following the question on Table 28.

+ : May add to more than 100% due to multiple mentions.

CHART 30 - RECENT CHANGES
BUYING CONDITIONS FOR CARS

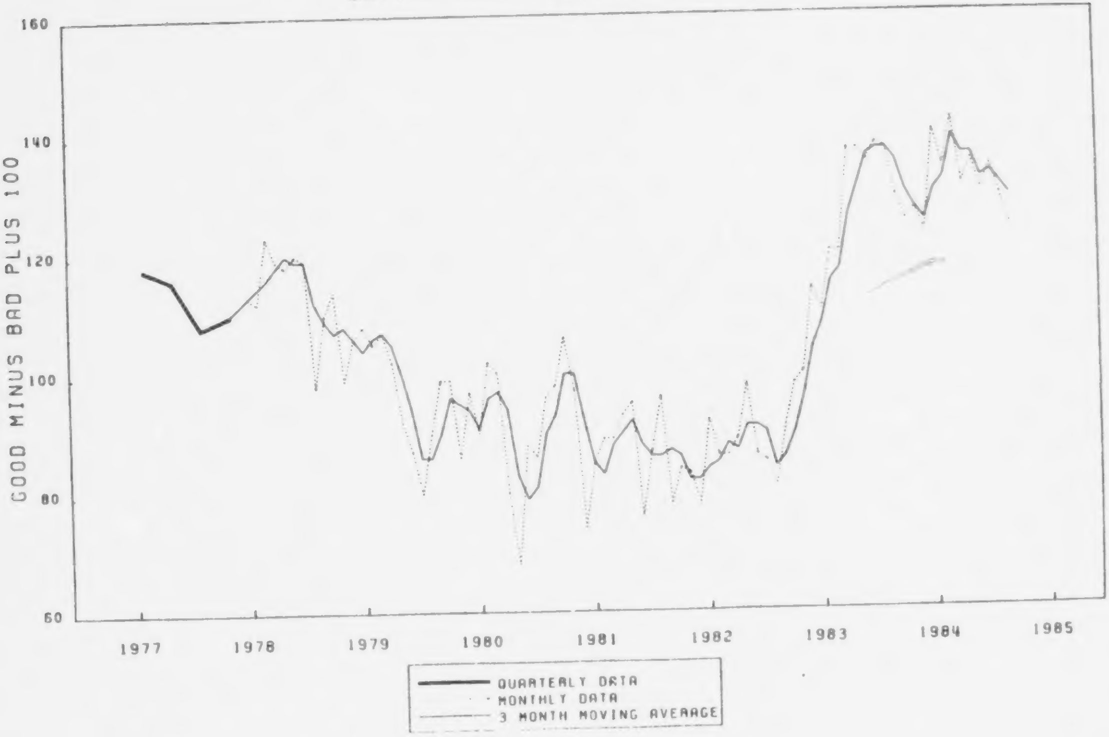
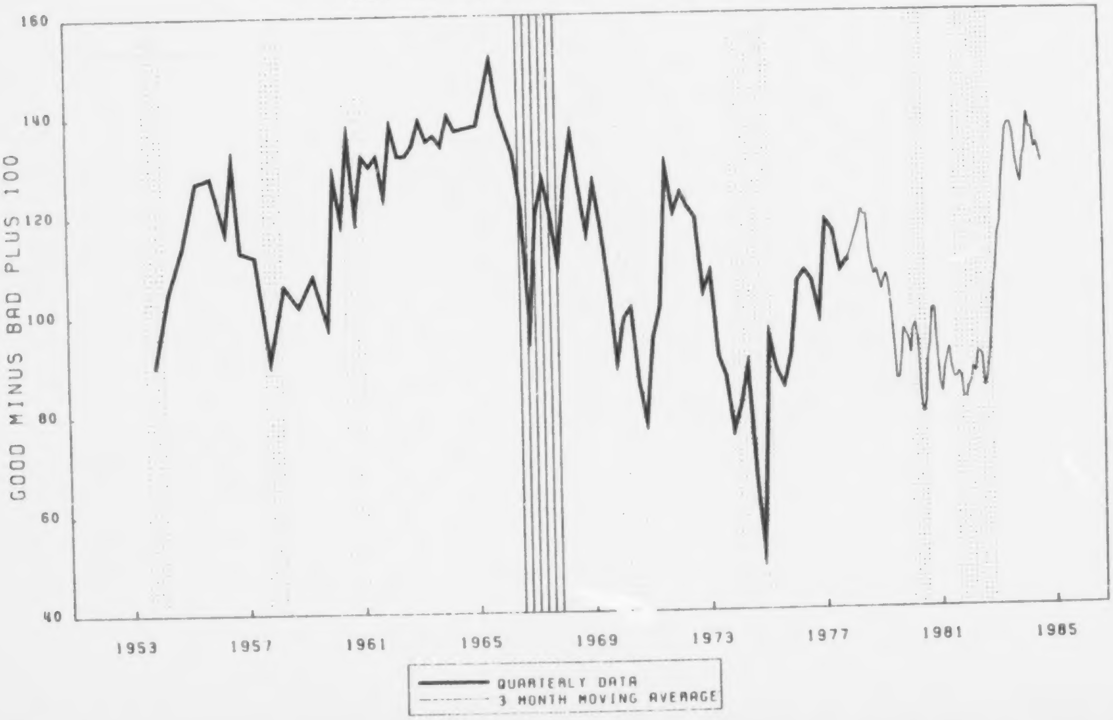


CHART 30 - HISTORICAL SERIES
BUYING CONDITIONS FOR CARS



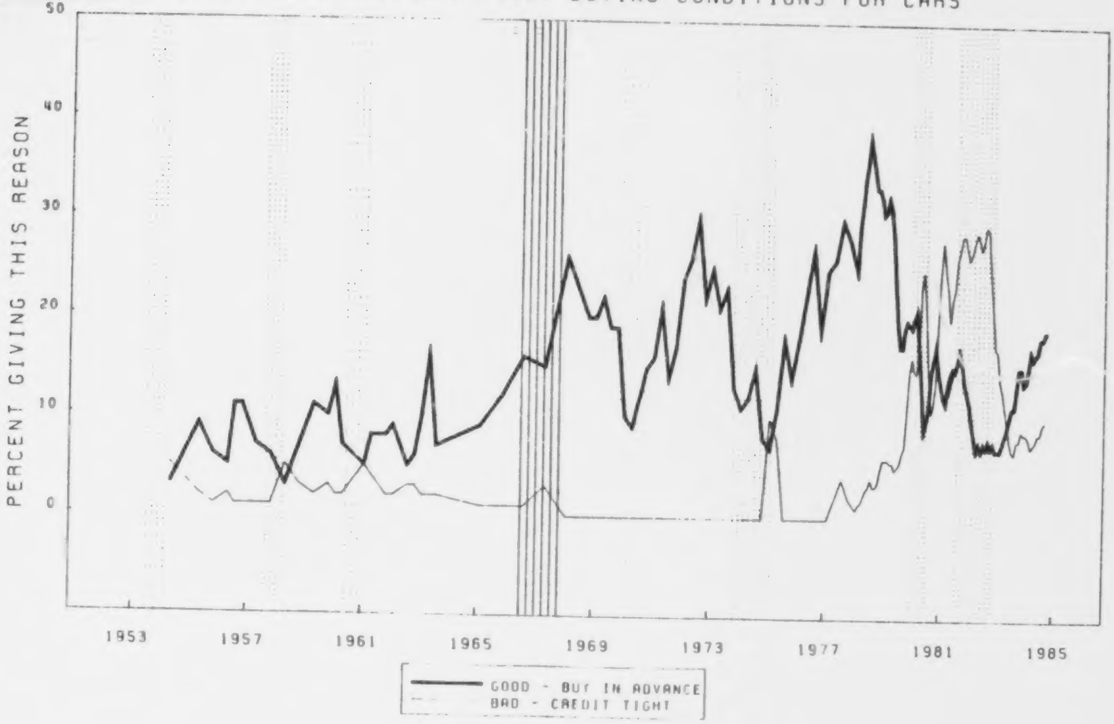
## TABLE 30

## BUYING CONDITIONS FOR CARS

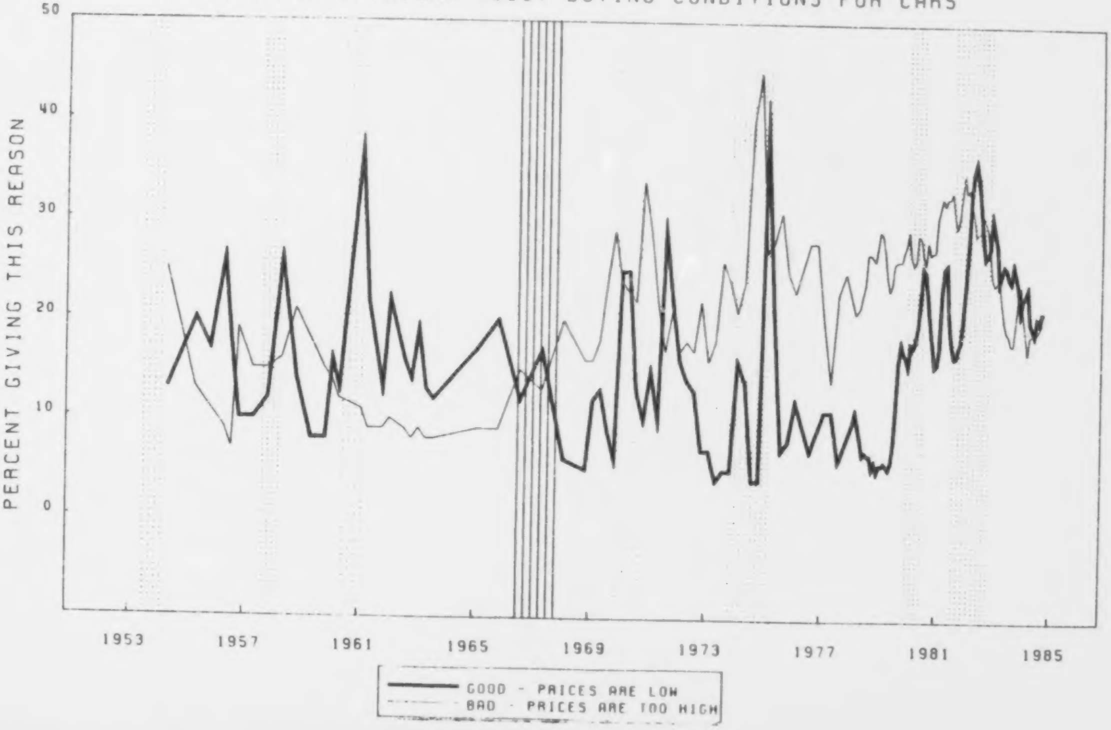
| | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 | July 1984 | Aug. 1984 | Sept 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| GOOD TIME TO BUY | 61% | 59% | 59% | 56% | 64% | 62% | 66% | 60% | 63% | 60% | 62% | 59% | 59% |
| UNCERTAIN; DEPENDS | 7 | 7 | 9 | 11 | 12 | 10 | 10 | 11 | 9 | 10 | 10 | 11 | 6 |
| BAD TIME TO BUY | 32 | 34 | 32 | 33 | 24 | 28 | 24 | 29 | 28 | 30 | 28 | 30 | 35 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 | 690 | 680 | 656 | 693 | 690 |

The question was: "Speaking now of the automobile market--do you think the next 12 months or so will be a good time or a bad time to buy a car?"

## CHART 31A - HISTORICAL SERIES
## REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR CARS



## CHART 31B - HISTORICAL SERIES
## REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR CARS



## TABLE 31

## SELECTED REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR CARS +

| | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 | July 1984 | Aug. 1984 | Sept 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| GOOD TIME TO BUY: | | | | | | | | | | | | | |
| Prices are low; good buys available | 28% | 22% | 21% | 21% | 26% | 22% | 23% | 16% | 20% | 21% | 21% | 19% | 24% |
| Prices won't come down; are going higher | 17 | 17 | 12 | 12 | 18 | 16 | 17 | 16 | 17 | 18 | 20 | 17 | 20 |
| Interest rates low; credit is easy | 28 | 19 | 22 | 19 | 23 | 22 | 22 | 22 | 18 | 18 | 24 | 17 | 15 |
| New fuel efficient models | 2 | 2 | 2 | 2 | 1 | 2 | 1 | 1 | 3 | 1 | 1 | 2 | 1 |
| BAD TIME TO BUY: | | | | | | | | | | | | | |
| Prices are high | 20 | 25 | 23 | 24 | 16 | 18 | 17 | 22 | 18 | 20 | 20 | 19 | 22 |
| Interest rates are high; credit is tight | 10 | 8 | 9 | 9 | 8 | 8 | 6 | 9 | 9 | 8 | 9 | 12 | 9 |
| Lack of purchasing power | 6 | 8 | 6 | 5 | 3 | 5 | 5 | 4 | 5 | 4 | 4 | 5 | 6 |
| Price of gas; shortages | * | * | * | * | * | * | 1 | * | * | * | * | 1 | * |
| Poor selection; quality | 4 | 6 | 6 | 5 | 5 | 4 | 4 | 6 | 2 | 2 | 4 | 4 | 3 |

Responses to the query: "Why do you say so?" following the question on Table 30.

+ : May add to more than 100% due to multiple mentions.

* : Less than half of one percent.

CHART 32 - RECENT CHANGES
PLANS TO PURCHASE AN AUTOMOBILE DURING THE NEXT 12 MONTHS

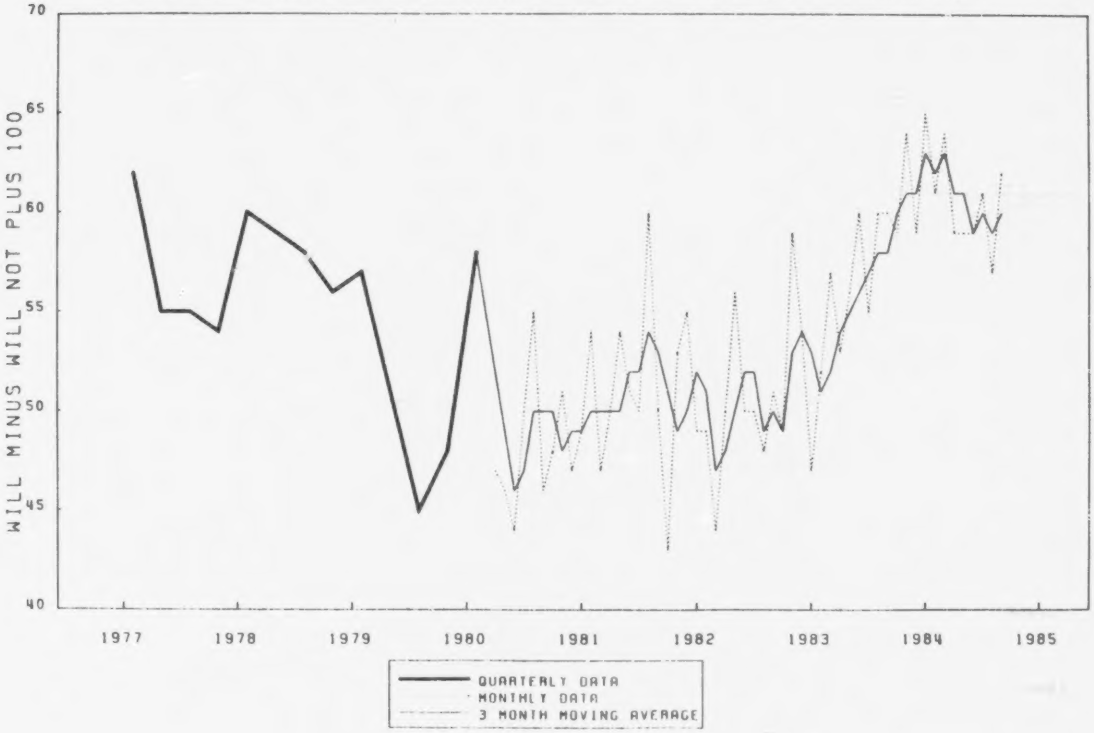
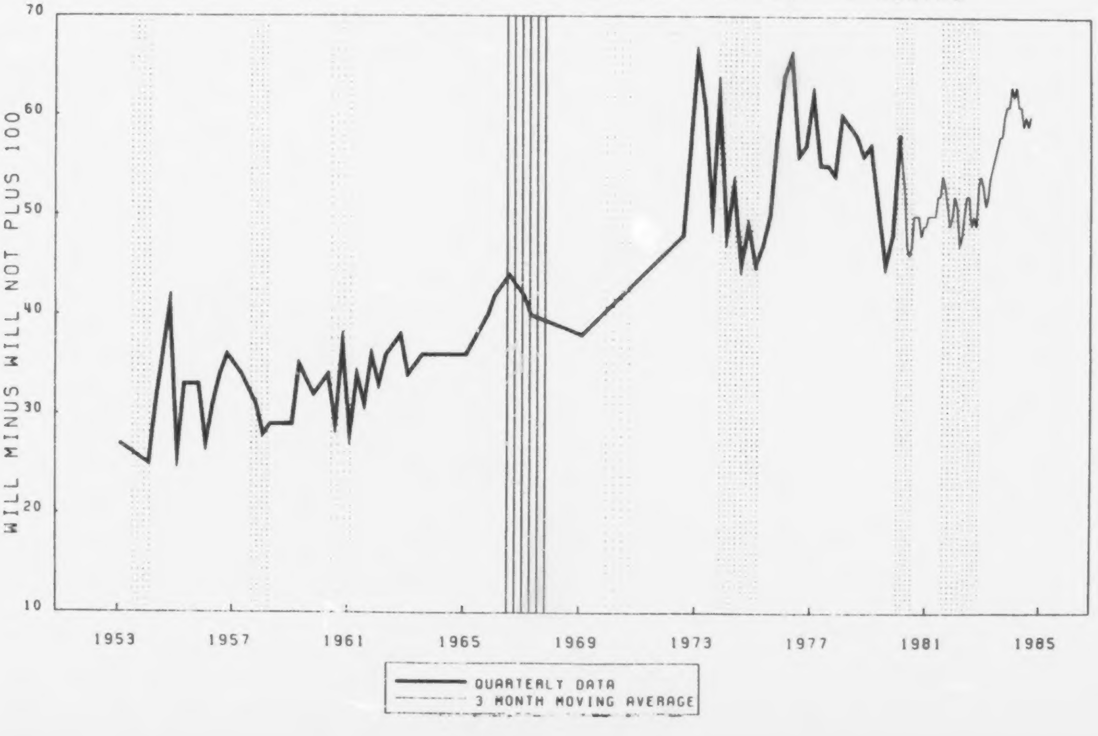


CHART 32 - HISTORICAL SERIES
PLANS TO PURCHASE AN AUTOMOBILE DURING THE NEXT 12 MONTHS



## TABLE 32

## PLANS TO PURCHASE AN AUTOMOBILE DURING THE NEXT 12 MONTHS

| | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 | July 1984 | Aug. 1984 | Sept 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| PROBABLY WILL BUY | 21% | 21% | 22% | 20% | 23% | 21% | 22% | 21% | 19% | 20% | 20% | 21% | 22% |
| CHANCES ARE EVEN | 9 | 8 | 9 | 8 | 7 | 9 | 12 | 6 | 12 | 9 | 9 | 7 | 8 |
| PROBABLY WILL NOT BUY | 61 | 62 | 58 | 61 | 58 | 60 | 58 | 62 | 60 | 61 | 59 | 64 | 60 |
| DK,NA | 9 | 9 | 11 | 11 | 12 | 10 | 8 | 11 | 9 | 10 | 12 | 8 | 10 |
| TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| CASES | 704 | 689 | 701 | 701 | 681 | 687 | 700 | 705 | 690 | 680 | 656 | 693 | 690 |

The question was: "What do you think are the chances that you (or anyone else in your family living there) will buy or lease a car during the next 12 months--would you say you probably will, probably will not, or are the chances about even, or what?"

## TABLE 33

## CURRENT VEHICLE PURCHASE INTENTIONS

| | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 | July 1984 | Aug. 1984 | Sept 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| PROPORTION WITH CURRENT PURCHASE INTENTIONS: | 30% | 29% | 31% | 28% | 30% | 30% | 34% | 27% | 31% | 29% | 29% | 28% | 30% |
| PURCHASE TYPE: | | | | | | | | | | | | | |
| Buy new | 13 | 17 | 17 | 16 | 15 | 14 | 16 | 13 | 15 | 16 | 15 | 15 | 14 |
| Buy used | 14 | 9 | 12 | 9 | 13 | 13 | 17 | 12 | 14 | 11 | 12 | 11 | 13 |
| Lease | 1 | 2 | 1 | 2 | 1 | 2 | 1 | 1 | 2 | 1 | 2 | 1 | 2 |
| DK,NA | 2 | 1 | 1 | 1 | 1 | 1 | * | 1 | * | 1 | * | 1 | 1 |
| PURCHASE TIMING: | | | | | | | | | | | | | |
| Next 3 months | 2 | 6 | 4 | 2 | 5 | 3 | 2 | 7 | 3 | 2 | 7 | 3 | 1 |
| Next 4-6 months | 7 | 8 | 5 | 4 | 10 | 7 | 10 | 6 | 9 | 8 | 6 | 5 | 8 |
| Next 7-9 months | 5 | 8 | 9 | 10 | 7 | 8 | 8 | 6 | 7 | 9 | 3 | 4 | 5 |
| 10 months or more | 9 | 4 | 8 | 8 | 4 | 5 | 8 | 4 | 6 | 4 | 7 | 8 | 10 |
| DK,NA | 7 | 3 | 5 | 4 | 4 | 7 | 6 | 4 | 6 | 6 | 6 | 8 | 6 |

If response was "PROBABLY WILL BUY" or "CHANCES ARE EVEN" in Table 32, then the questions were: "If you do buy or lease a car, would it be a new car, or a used car?" , "Would you buy or lease?" and "When do you think you might buy or lease a car?"

* : Less than half of one percent.

## TABLE 34

## FUTURE VEHICLE PURCHASE INTENTIONS

| | Sept 1983 | Oct. 1983 | Nov. 1983 | Dec. 1983 | Jan. 1984 | Feb. 1984 | Mar. 1984 | Apr. 1984 | May 1984 | June 1984 | July 1984 | Aug. 1984 | Sept 1984 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| PROPORTION WITH FUTURE PURCHASE INTENTIONS: | 61% | 62% | 58% | 61% | 58% | 60% | 58% | 62% | 60% | 61% | 59% | 64% | 60% |
| PURCHASE TYPE: | | | | | | | | | | | | | |
| Would buy new | 33 | 33 | 36 | 36 | 36 | 32 | 32 | 34 | 33 | 36 | 35 | 33 | 34 |
| Would buy used | 27 | 29 | 21 | 24 | 21 | 26 | 25 | 27 | 26 | 24 | 22 | 29 | 25 |
| DK,NA | 1 | * | 1 | 1 | 1 | 2 | 1 | 1 | 1 | 1 | 2 | 2 | 1 |
| PURCHASE TIMING: | | | | | | | | | | | | | |
| Less than 2 years | 8 | 6 | 5 | 7 | 5 | 8 | 7 | 10 | 5 | 7 | 5 | 8 | 5 |
| 2 years | 22 | 20 | 19 | 23 | 19 | 20 | 19 | 20 | 22 | 21 | 18 | 25 | 21 |
| 3 years | 10 | 11 | 10 | 9 | 10 | 9 | 9 | 9 | 9 | 8 | 10 | 8 | 11 |
| 4 years or more | 15 | 19 | 18 | 17 | 17 | 17 | 16 | 17 | 18 | 17 | 18 | 15 | 17 |
| Indefinite | 2 | * | 1 | 1 | 2 | 3 | 3 | 1 | 2 | 2 | 3 | 3 | 2 |
| DK,NA | 4 | 6 | 5 | 4 | 5 | 3 | 4 | 5 | 4 | 6 | 5 | 5 | 4 |

If response was "PROBABLY WILL NOT BUY" in Table 32, then the questions were: "If you were to buy a car, would it be a new car or a used car? and "How long do you think it may be before will buy or lease a car?"

* : Less than half of one percent.

# EXPLANATORY CHARTS

CHART 1 - RECENT CHANGES
THE INDEX OF CONSUMER SENTIMENT

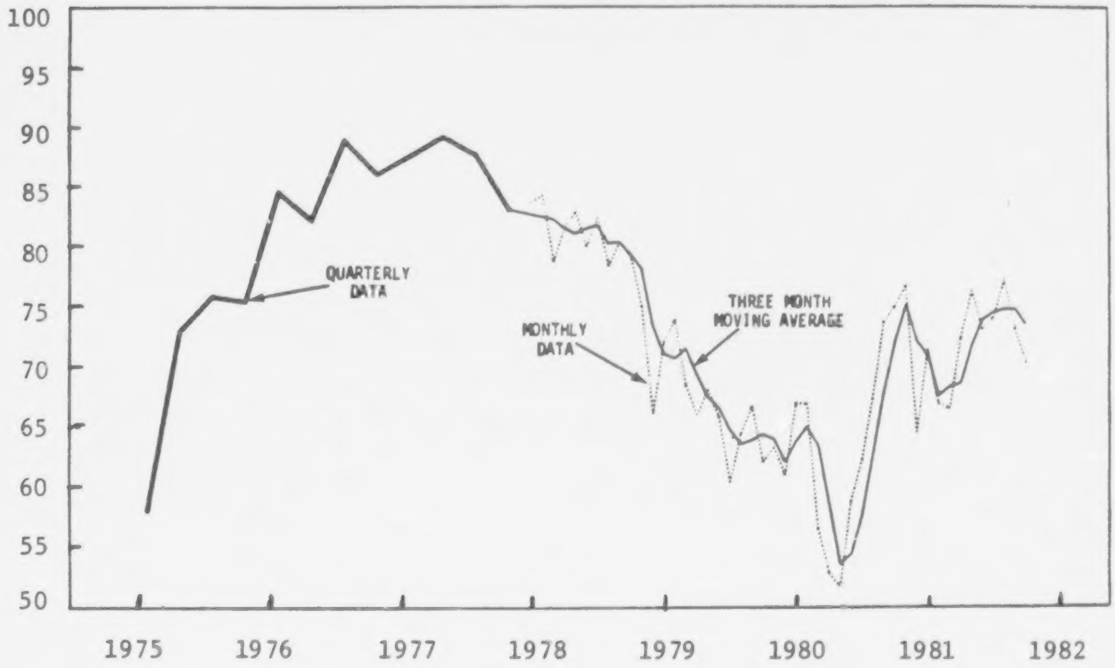
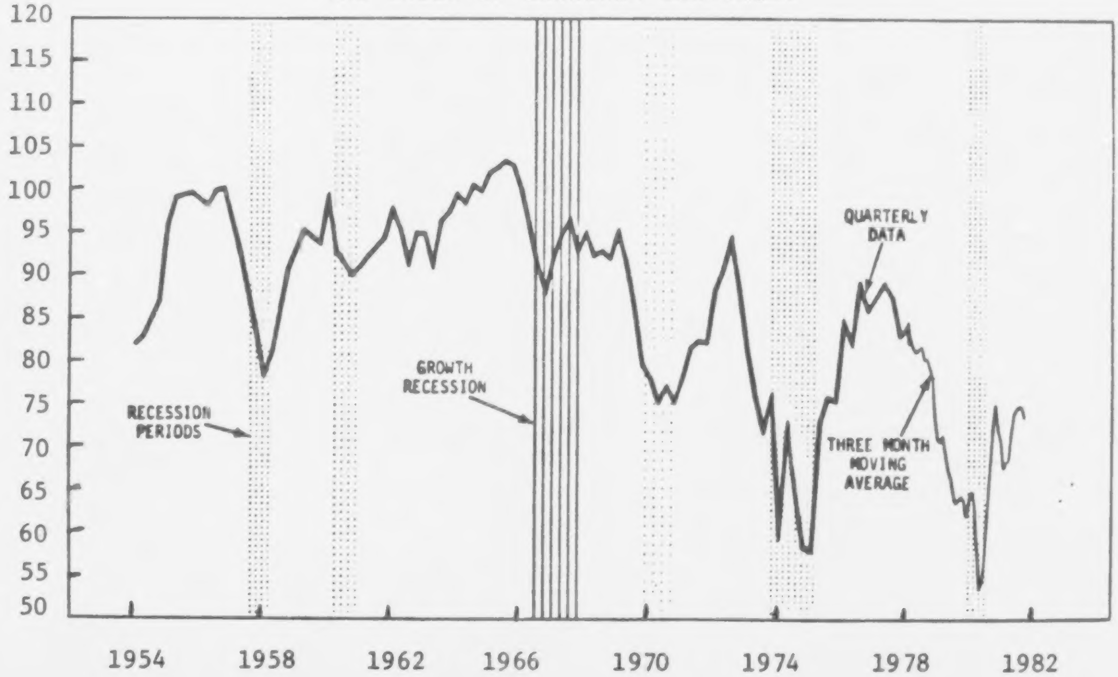


CHART 1 - HISTORICAL SERIES
THE INDEX OF CONSUMER SENTIMENT



## DESCRIPTION OF CHART LINES

QUARTERLY DATA: Data collected by surveys conducted at three-month intervals before 1978.

MONTHLY DATA: Data collected by surveys conducted each month since January of 1978.

THREE-MONTH MOVING AVERAGE: Each point plotted represents the average of the three monthly observations ending at the date plotted.

## TIME SCALE LABELS

Each tic mark on the time scale represents the month of January for the indicated year.

## NATIONAL BUREAU OF ECONOMIC RESEARCH, REFERENCE DATES FOR RECESSIONS

DATES: November 1948 - October 1949
July 1953 - May 1954
August 1957 - April 1958
April 1960 - February 1961
June 1966 - November 1967*
December 1969 - November 1970
November 1973 - March 1975
January 1980 - July 1980
July 1981 - November 1982

Notes:

RECESSION PERIOD: Reduction in the national output of goods and services, generally lasting at least two quarters.

*GROWTH RECESSION: Retardation in the rate of growth of output and employment (usually followed by a recession and always the initial stage of a recession).

## APPROXIMATE SAMPLING ERRORS[a] OF SURVEY FINDINGS

(In percentages by size of sample or subgroup)

| Reported Percentages | Number of Interviews | | |
|---|---|---|---|
| | 700[b] | 1,400[c] | 2,100[d] |
| 50 | 4.2 | 3.2 | 2.8 |
| 30 or 70 | 3.8 | 2.9 | 2.5 |
| 20 or 80 | 3.4 | 2.6 | 2.2 |
| 10 or 90 | 2.5 | 1.9 | 1.6 |
| 5 or 95 | 1.8 | 1.4 | 1.2 |

---

[a] The figures in this table represent two standard errors. Hence, for most items the chances are 95 in 100 that the value being estimated lies within a range equal to the reported percentages, plus or minus the sampling error.

[b] Average size of monthly surveys.

[c] Average size of two monthly surveys.

[d] Average size of three monthly surveys (one quarter).

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SEPTEMBER 1984 MONTHLY REPORT October 5, 1984

# Surveys of Consumer Attitudes

Richard T. Curtin, *Director*

## OPTIMISM STILL TALL IN THE SADDLE: NARY A CLOUD IN THE SKY

** In the September 1984 survey, the Index of Consumer Sentiment was 100.9, just above the 99.1 recorded one month earlier and the 89.9 recorded one year earlier. The September reading is just below the cyclical peak of 101.0 recorded in March 1984, and less than 2 Index-points below the all-time peak level of 102.3 recorded in 1965. The recent rebound to peak levels has been due to more favorable prospects for the national economy in both the near and longer terms.

** Among families with incomes of $25,000 or more, the Index stood at 111.7 in September 1984, up from 109.2 in August, and 102.3 one year earlier.

** The September 1984 survey recorded the most favorable assessments of long term prospects for the economy in more than a decade. The proportion of families that expected favorable business conditions over the longer term rose to 47 percent in September 1984, from 37 percent one year earlier.

** Confidence in government economic policy to reduce inflation and unemployment reached its most favorable level under the Reagan administration in the September 1984 survey. Among all families, 35 percent favorably rated government economic policies, compared with 19 percent that gave policies an unfavorable rating--the most favorable balance of opinion recorded during the past decade. More than three-quarters of all respondents expected Reagan to be reelected, and the majority expected personal income tax rates to increase.

** Attitudes toward buying conditions for large household durables stayed near record favorable levels mainly due to continued favorable perceptions of market prices. Attitudes toward buying conditions for vehicles declined by a small amount from the peak levels recorded earlier in the year, but nonetheless remained at very favorable levels. Attitudes toward buying conditions for houses declined by a larger amount during the past year, but still remain on balance favorable. The larger decline in house buying attitudes was due to more frequent complaints about rising interest rates.

* * *

Consumer confidence has been maintained at very favorable levels in the September survey, and points toward continued high sales levels through 1984 and into early 1985. Unlike the period of growth in consumer sales in the mid 1970s, when low real rates tilted spending in favor of credit purchases, the current high real rates will favor non-credit purchases. Although the optimistic views now prevalent do incorporate the expectation of a Reagan reelection, they are not based on the expectation of no increase in personal taxes.

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## Prospects for Economy Remain Favorable

The proportion of consumers that reported improvement in the national economy rose rapidly from January 1983 to January 1984--from 16 to 75 percent, the all-time peak. Since the start of 1984, the proportion of families that reported improved economic conditions has remained largely unchanged near that record level. In the September 1984 survey, 68 percent of all families thought that the economy had improved compared with one year earlier. Only 18 percent of all families in the September survey thought that the economy had worsened during the past year.

The very favorable performance of the economy during the past year was expected to be maintained through the year ahead, although the pace of growth was expected to slow. Among all families in the September 1984 survey, 33 percent expected the economy to improve, down from 46 percent one year earlier, and the peak 55 percent in early 1983. The near majority (48 percent) expected the economy to be maintained at its current favorable level during the year ahead. Few respondents in the September 1984 survey expected actual economic declines during the year ahead (15 percent), although somewhat above the year earlier reading (10 percent).

Despite the expected slowing of the rate of growth, good times financially in the economy as a whole were expected to persist. Among all families in the September survey, 66 percent expected good economic times during the next year, up from 58 percent one year earlier. The proportion of families expecting bad times financially in the economy as a whole fell to 24 percent, from 33 percent one year earlier.

Importantly, as the economic expansion has lengthened, the longer term outlook for the economy has also improved, indicating rising prospects for sustained growth. Among all families, 47 percent expected good times financially in the economy as a whole over the next five years, up from 37 percent recorded one year earlier. Bad times financially over the longer term were expected by 31 percent of all families in September, down from 42 percent one year earlier. This represents the most favorable balance of opinion toward long term economic prospects recorded in more than a decade.

Confidence in government economic policies to reduce inflation and unemployment reached the most favorable level recorded during the past decade. In the September 1984 survey, 35 percent of all families favorably rated government economic policies, up from 33 percent one month earlier, and 27 percent one year earlier. Unfavorable evaluations of economic policies were given by 19 percent of all families in September, unchanged from one month earlier, and just below the 21 percent recorded one year earlier.

## Presidential Prospects and Consumer Sentiment

In order to assess the relationship of expected election results on prospects for economic performance, respondents in the September 1984 survey were asked who they thought would win the presidential election in November-- not for whom they intended to vote. Three-quarters of all respondents in the September 1984 survey expected President Reagan to be reelected . Just 15 percent of all respondents expected a Mondale victory in November (see Table A). When asked about their assessment of which candidate if elected would have a more favorable impact on general economic conditions, Reagan was identified by 58 percent of all respondents, compared with 30 percent that selected Mondale (Table A).

In the September 1984 survey, 55 percent of all families expected personal income tax rates to increase during the year ahead. Just 5 percent of all families expected declines in personal income tax rates (Table B). As might be expected, respondents that expected a Mondale victory were more likely to expect increases in tax rates. More interestingly, however, the majority of those that expected a Reagan victory also expected tax rate increases during the year ahead. Consequently, the current high level of consumer optimism is not based on the expectation of no increase in personal income tax rates.

As shown in Table C, respondents that expected Reagan's reelection also held much more favorable expectations for their own financial future, as well as for the economy as a whole. Similarly, respondents that expected no increase in personal income tax rates were also more optimistic about their own and national economic prospects. When expectations about the presidential election and taxes were combined, respondents that expected both Reagan's reelection and no tax increases were the most optimistic. Nonetheless, respondents that expected a Reagan victory and tax increases--the most widely held expectation--still had relatively optimistic views.

## Personal Finances Remain Strong

Consumers' evaluations of their own financial situation remained very favorable in the September 1984 survey. Among all families, 45 percent reported that their financial situation had improved during the past year, up from 38 percent one year earlier. Financial reversals were reported by just 20 percent of all families in the September survey, down from 29 percent one year earlier, and the lowest level recorded since 1972. When asked to explain how their financial situation had changed, 39 percent of all families reported that their income had increased during the past year, compared with 12 percent that reported declines--the widest favorable margin recorded since 1972. In addition, complaints about the erosion of family budgets due to inflation were made by only 12 percent of all families in September, just above the decade low of 11 percent recorded one month earlier.

Not only have consumers reported substantial improvements in their financial situation during the past year, they also expect their financial situation to be maintained at those improved levels through the year ahead. Among all families in the September 1984 survey, 39 percent expected their financial situation to improve, just above the 37 percent recorded one year earlier. Only 8 percent of all families in the September survey expected a worsening financial situation during the year ahead, down from 12 percent one year earlier. Nearly the majority (49 percent) expected their financial situation to remain largely unchanged at its current favorable level.

In the September 1984 survey, 64 percent of all families expected their income to increase during the year ahead, up from 57 percent one year earlier. Two-thirds of all families expected that their income would increase by as much or more than the rate of inflation. Consumers expected the annual rate of inflation to average 4.2% during the year ahead in the September 1984 survey, down from 5.0% one year earlier. The September reading was the lowest level recorded since the cyclical low of 3.3% was recorded in March 1983.

## Buying Attitudes Maintained at Favorable Levels

Attitudes toward buying conditions for large household durables remained near record favorable levels in the September 1984 survey. Among all families, 72 percent held favorable buying attitudes towards household durables, unchanged from one month earlier, and above the 66 percent recorded one year earlier. These very positive attitudes toward durable goods were based on favorable perceptions of market prices. In the September survey, 34 percent of all families mentioned the availability of reduced prices on household durables, just above the 32 percent recorded one year earlier. Just 10 percent of all families thought that high durable prices made buying conditions unfavorable at the present time.

The proportion of families holding favorable attitudes toward buying conditions for houses fell to 48 percent in September 1984, from 50 percent one month earlier, and 59 percent one year earlier. Unfavorable attitudes toward buying conditions for houses rose to 46 percent in September 1984, from 37 percent one year earlier. Although the balance of opinion remained favorable, this represents the narrowest margin in more than 18 months. The main reasons for the decline in favorable house buying attitudes involved increases in interest rates. The proportion of families that reported the availability of reduced interest rates on home loans fell to 34 percent in September from 47 percent one year earlier. At the same time, the proportion of respondents that referred to high interest rates rose to 37 percent from 28 percent one year earlier.

* * *

The September 1984 survey included 690 completed interviews, conducted between September 1 and August 30, 1984.

## TABLE A

## EXPECTED OUTCOME OF THE PRESIDENTIAL ELECTION

| | Candidate Expected To Win | Candidate Better for Economy |
|---|---|---|
| Reagan | 79% | 58% |
| Mondale | 15 | 30 |
| Don't know | 4 | 6 |
| NA | 2 | 6 |
| Total | 100% | 100% |
| Cases | 690 | 690 |

---

The questions were: "Who do you think will be elected President in November--Reagan or Mondale?
"Looking ahead to the next year or so, do you think economic conditions in the country as a whole would be better if Reagan were elected, or would they be better if Mondale were elected?"

## TABLE B

## EXPECTED CHANGES IN PERSONAL INCOME TAX RATES

| Expected Change in Personal Tax Rates | All Families | Expected Winner | |
|---|---|---|---|
| | | Reagan | Mondale |
| Increase | 56% | 53% | 70% |
| Unchanged | 36 | 41 | 21 |
| Decrease | 5 | 4 | 9 |
| Don't know | 2 | 2 | * |
| NA | 1 | * | * |
| Total | 100% | 100% | 100% |
| Cases | 690 | 545 | 104 |

---

The question was: "During the next year or so, do you expect federal income tax rates for individual taxpayers to increase, stay the same, or decrease?"

## TABLE C

## RELATIONSHIP OF ELECTION PROSPECTS AND CONSUMER SENTIMENT

| | | Win Election | | Tax Rate Change | | Expect Reagan Victory and... | |
|---|---|---|---|---|---|---|---|
| | All Families | Reagan | Mondale | Same or Down | Tax Increase | Taxes Same or Down | Tax Increase |
| Index | 100.9 | 106.2 | 79.7 | 110.8 | 94.0 | 114.8 | 99.1 |
| Personal Finances | | | | | | | |
| Next year | 131[a] | 136 | 108 | 140 | 125 | 141 | 134 |
| Next 5 years | 143 | 148 | 125 | 158 | 135 | 159 | 140 |
| Business Conditions | | | | | | | |
| Next year | 142 | 153 | 97 | 161 | 128 | 168 | 141 |
| Next 5 years | 116 | 123 | 81 | 132 | 104 | 139 | 110 |
| Market Conditions | | | | | | | |
| Durables | 154 | 158 | 144 | 167 | 145 | 173 | 145 |
| Vehicles | 124 | 130 | 102 | 144 | 112 | 146 | 119 |
| Houses | 102 | 109 | 82 | 111 | 98 | 116 | 104 |

---

[a] Table entries represent the proportion giving favorable replies minus the proportion giving unfavorable replies plus 100.